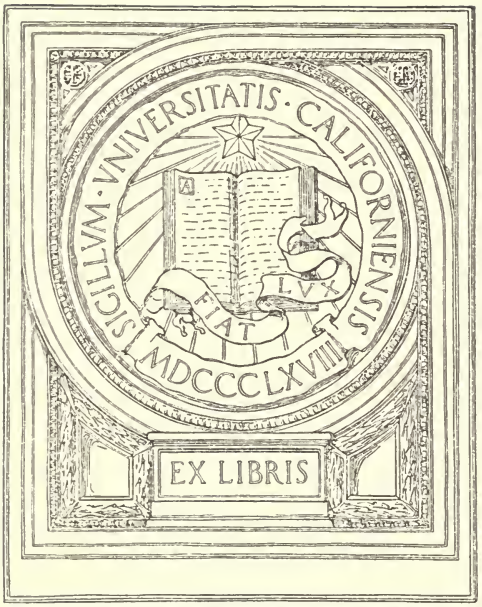
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CHAPTER XXXI.

Effect of the Bland Bill on the Country.

An Act Passed by the House Providing for the Free Coinage of the Silver Dollar—Mr. Ewing Makes an Attack on Resumption—Fear of Capitalists Regarding Our National Credit—Four Per Cents. Sell Below Par—Suspense and Anxiety Continued Throughout the Year—My First Report as Secretary of the Treasury—Recommendations of a Policy to be Pursued "To Strengthen the Public Credit"—Substitution of $50,000,000 in Silver Coin for Fractional Currency—Silver as a Medium of Circulation—Its Fluctuation in Value—Importance of Gold as a Standard of Value—Changes in the Market Value of Silver Since 1873.

THE silver question was suddenly thrust upon the House of Representatives on the 5th of November, 1877, by a motion, submitted by Mr. Bland, of Missouri, that the rules be suspended so as to enable him to introduce, and the House to pass, a bill to authorize the free coinage of the standard silver dollar of 412½ grains, and to restore its legal tender character. The motion to suspend the rules cut off all amendments and all debate. Several members demanded a hearing. Efforts were made to adjourn, but this was refused. The previous question being ordered and the rules suspended, a single vote would introduce the bill without a reference to a committee, and would pass it without any power of amendment, without the usual reading at three separate times. The motion was agreed to by a vote of yeas 163, nays 34. So, two-thirds voting in favor thereof, the rules were suspended and the bill was passed.

The first section of this bill provided that there shall be coined, at the several mints of the United States, the silver dollar of the weight of 412½ grains, troy, of standard silver, as provided in the act of January 18, 1837, on which shall be the devices and superscriptions provided by said act; which coins, together with all silver dollars heretofore coined by the United

States, of like weight and fineness, shall be a legal tender at their nominal value for all debts and dues, public and private, except where otherwise provided by contract; and any owner of silver bullion may deposit the same in any United States coinage mint or assay office, to be coined into such dollars for his benefit, upon the same terms and conditions as gold bullion is deposited for coinage under existing law. Section 2 provided for repealing all acts and parts of acts inconsistent with provisions of the act.

Thus this bill, of wide-reaching importance, was introduced and passed by the House under the previous question, and a suspension of the rules without debate on the same day of its introduction by a vote of yeas 163, nays 34. It was sent to the Senate and referred to the committee on finance.

On the same day Mr. Ewing moved in the House of Representatives to suspend the rules and adopt the following resolution:

"*Resolved*, That the bill to repeal the third section of the resumption law be made the special order, not to interfere with any appropriation bills, for to-morrow at the expiration of the morning hour, and from day to day thereafter until the following Tuesday at three o'clock, when the previous question shall be ordered on it and on any amendments then pending, all amendments meanwhile to be in order, provided the time shall be extended, if necessary, so as to allow five days after the morning hour for the consideration of said bill and amendments."

This resolution passed by a vote of yeas 143, nays 47.

In consequence of this action of the House, the syndicate declined to offer the bonds, and no further calls for six per cent. bonds were therefore made.

On the 7th of November August Belmont wrote me from New York as follows:

"I fear that the threatening position of the silver question will check completely any demand for the four per cent. bonds here and in Europe. The damage which the passage of this measure will do to our public credit abroad *cannot be over estimated*. To remonetize silver upon the old standard, and make it a legal tender for all private and public debts, will be considered by the whole civilized world as an act of repudiation on the part of the federal government, and cast a stain upon our national credit, which has hitherto stood as high and bright as that of any government in the world.

"It is just as much repudiation for the federal government to compel its bondholders to accept the payment of their interest in silver, which is at a discount of ten per cent., against the gold which the government received for its bonds, as it would be if Congress decreed that all the bonds of the United States should not bear a higher interest than two per cent. per annum. To do such a thing now as is contemplated by the Bland silver bill, when the federal finances are in a flourishing condition, when the premium of gold has been reduced two and a half to three per cent., and when our funded debt sells equal to that of any other public security in the world, is actually as if a man of wealth and position, who had by a life-long course of strict honesty acquired the well-earned confidence and respect of his fellow-citizens and of the outer world, should in the midst of his affluence, and without any palliating excuse of any temptation of want or necessity, commit open theft.

"I am sure I do not over estimate the damaging effect which the passage of the bill must have upon American credit. All my letters from abroad, and conversations with persons familiar with the English and continental money markets, confirm my convictions on that point. When you look back and find in the archives of your department the proud records of a nation's faith kept inviolate with a most punctilious and chivalrous spirit during a century, amidst all the trials of foreign and civil war which strained the resources of our country to the very verge of ruin, the task before you is certainly a difficult and harrassing one; but while the path of duty is often narrow and difficult, it is always straight and so well defined that it can never be mistaken.

"Sound financial policy and love of our country's fair name alike demand from those to whom the administration of its affairs have been intrusted the most uncompromising hostility to the *blind* and *dishonest* frenzy which has taken hold of Congress, and I sincerely hope that you will be seconded in the task before you by the hearty support of the President and your colleagues."

On the 9th of November I was advised that the four per cent. bonds were selling at 99 and interest, in a small way only. The syndicate had bought in the market about $750,000 of these bonds at less than par in order to prevent a further depreciation. On the same day I was informed by August Belmont & Co., as follows:

"After conference and careful consideration of the whole subject, it is the conclusion of all the associates, in Europe and here, that it is injudicious to undertake further negotiations of the fours, during the pendency of the legislation proposing to make silver a full legal tender, as the discussion has checked dealings in the bonds by the public. To make a call in the face of a market quotation (to-day 98¾ and interest) below the price fixed by law

would not convince the public that new business had been undertaken at a loss, but that the call was connected with business previously done.

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"Further than this, we are satisfied that, holding the views expressed in your letters mentioned, the President and all his cabinet will agree with us that it would be wrong for us to ask for another call at this juncture, as such action would be held by those advocating the legislation in favor of silver as proving that such legislation in our opinion was not prejudicial to the national credit and the refunding of our national debt."

On the 10th of November Mr. Conant wrote me that our bonds had been depressed by the rumors which had been circulated respecting probable legislation which would depreciate their value, and that four and a half per cent. bonds had fallen off three-fourths per cent. He said: "If, in any legislation which may be enacted regarding silver, provision could be made not only exempting the debt and the interest thereon from payment in silver, but declaring that payment of the same shall be made in gold coin, it would aid us immeasurably in placing our bonds."

Two days later I received a letter from F. O. French, of New York, as follows:

"Our business people are very much alarmed at the rumored strength of the silver people, and, as they apprehend the gravest disasters from the success of the Bland bill, a committee of gentlemen connected with insurance and trust companies, as well as with the banks, go to Washington to-morrow to present their views to the finance committee.

"Once dispatch this silver business — and I have faith that it cannot live in the light of full discussion by the Senate — and we shall renew funding, and by attaining resumption put an end to financial discussions as we did to slavery."

And on the following day I wrote to August Belmont & Co.:

"Your letter of the 9th instant was received, and also a personal letter from Mr. Belmont.

"I am watchful of the course of legislation in Congress and of the current of public sentiment, both in our own and foreign countries, on the silver question. I am not prepared at present to give any assurance as to what will be done in Congress, nor of the action of the executive department. It is better to let the matter stand as it is, awaiting events without any committals whatever. I have faith to believe that all will come out right so far as the public credit is affected, and will write you again when anything definite can be said."

On the 29th of November Belmont wrote me a long letter, containing the following statements:

"I need hardly assure you, at this late day, of my earnest solicitude for the success of the funding and resumption operations, and of my personal deep regret, apart from all pecuniary considerations, as a member of the syndicate, to see this unfortunate situation of the silver question put a complete stop to all further sales of the four per cent. bonds at present, here and in England. The capitalists and banks on both sides of the Atlantic will not buy a bond at par *in gold*, when it is almost certain, from the overwhelming vote in the House, and the known attitude of the Senate, that a silver bill, making the old silver dollar a legal tender for all private and public obligations, will pass both Houses this winter. . . .

"The bonds are selling at ninety-nine to one-fourth in gold in open market, and it seems to me very doubtful policy to offer bonds, by us, to the public at this moment, and thus assist the advocates of the old silver dollar by our apparent indifference to the injustice and dishonesty of the Bland bill."

This condition of suspense and anxiety continued during the remainder of the year.

My first annual report, as Secretary of the Treasury, was made to Congress on the 3rd of December, 1877. The statement made of our financial condition was a very favorable one, showing a surplus revenue of $30,340,577.69. The receipts from different sources of revenue were largely diminished, but the expenditures for the year were reduced by an equal amount. The surplus revenue was applied to the redemption of United States notes and of fractional currency, and to the payment of six per cent. bonds for the sinking fund. The report dealt with the usual topics of such reports, embracing a great variety of subjects. What attracted the most attention was, naturally, what was said about refunding the public debt and the resumption of specie payments. The results of refunding during the previous year have already been sufficiently stated. The plans for the resumption of specie payments were fully explained. The mode and manner of bringing this about was not specified in the law, but the time for resumption was fixed and the means provided for accumulating coin for that purpose were ample.

By the resumption act the Secretary of the Treasury was required to redeem legal tender notes to the amount of eighty per

centum of the sum of national bank notes issued; and to continue such redemption, as circulating notes were issued, until there was outstanding the sum of $300,000,000 of such legal tender United States notes, and no more.

By the same act it was provided that, on and after the 1st day of January, 1879, the Secretary of the Treasury should redeem, in coin, the United States legal tender notes then outstanding, on their presentation for redemption at the office of the assistant treasurer of the United States, in the city of New York, in sums of not less than fifty dollars. "And," it continued, "to enable the Secretary of the Treasury to prepare and provide for the redemption in this act authorized or required, he is authorized to use any surplus revenues, from time to time, in the treasury, not otherwise appropriated, and to issue, sell, and dispose of, at not less than par, in coin, either of the descriptions of bonds, of the United States, described in the act of Congress approved July 14, 1870, entitled 'An act to authorize the refunding of the national debt,' with like qualities, privileges, and exemptions, to the extent necessary to carry this act into full effect, and to use the proceeds thereof for the purposes aforesaid."

In obedience to this provision I had sold at par, for coin, $15,000,000 four and a half per cent. bonds, or $5,000,000 during each of the months of May, June and July, and $25,000,000 at par, in coin, of four per cent. bonds, or $5,000,000 for each of the months of August, September, October, November and December. Of the coin thus received $4,000,000 had been sold for the redemption of United States notes, and the residue was in the treasury. The surplus revenue had also, under the same authority, been applied to the redemption of the residue of United States notes, not redeemed by the sale of coin, and the balance was held in the treasury in preparation for resumption.

These operations, aided greatly, no doubt, by the favorable condition of our foreign commerce, had advanced the market value of United States notes to ninety-seven and three-eighths per cent., or within nearly two and a half per cent. of coin. They had also conclusively demonstrated the practicability of restoring United States notes to par, in coin, by the time fixed

by law, and that without disturbing either domestic or foreign trade or commerce. Every step had been accompanied with growing business, with the advance of public credit, and the steady appreciation of United States notes. The export of bullion had been arrested, and our domestic supply had accumulated in the treasury. The exportation of other domestic products had been largely increased, with great advantage to all industries. I said the course adopted under the resumption act, if pursued, would probably be followed with like favorable results, and a sufficient fund for the maintenance of resumption would doubtless accumulate in the treasury at or before the date fixed by law.

I strongly urged the firm maintenance of a policy that would make good the promise contained in the United States note when issued—a promise repeated in the act "To strengthen the public credit," approved March 18, 1869, and made definite and effective by the resumption act, and asserted that dishonored notes, less valuable than the coin they promise, though justified by the necessity which led to their issue, should be made good as soon as practicable; that the public credit was injured by failure to redeem them; that every holder who was compelled by law to receive them was deprived of a part of his just due; that our national resources being ample, the process of appreciation being almost complete, and the wisdom of the law having been demonstrated, it was the dictate of good policy and good faith to continue the process of preparation, so that, at or before the time fixed by law, every United States note would have equal purchasing power with coin; that to reverse this policy in the face of assured success would greatly impair the public credit, arrest the process of reducing the interest on the public debt, and cause anew the financial distress our country had recently suffered.

The first section of the resumption act plainly provided for the permanent substitution of silver coin for the whole amount of fractional currency outstanding. Section 3 directed the permanent reduction of United States notes to an amount not exceeding $300,000,000. No distinct legislative declaration

was made in the resumption act that notes redeemed after that limit was reached should not be reissued; but section 3579 of the Revised Statutes of the United States provided that "when any United States notes are returned to the treasury they may be reissued, from time to time, as the exigencies of the public interest may require."

I expressed in my report the opinion that, under this section, notes, when redeemed after the 1st of January, 1879, if the amount outstanding was not in excess of $300,000,000, might be reissued as the exigencies of the public service required. A note redeemed with coin was in the treasury and subject to the same law as if received for taxes, or as a bank note, when redeemed by the corporation issuing it. The authority to reissue it did not depend upon the mode in which it was returned to the treasury. But this construction was controverted, and I thought should be settled by distinct provisions of law. It should not be open to doubt or dispute. The decision of this question by Congress would involve not merely the construction of existing law, but the public policy of maintaining in circulation United States notes, either with or without the legal tender clause. These notes were of great public convenience—they circulated readily; were of universal credit; were a debt of the people without interest; were protected by every possible safeguard against counterfeiting; and, when redeemable in coin at the demand of the holder, formed a paper currency as good as had yet been devised.

It was conceded, I said, that a certain amount could, with the aid of an ample reserve in coin, be always maintained in circulation. Should not the benefit of this circulation inure to the people, rather than to corporations, either state or national? The government had ample facility for the collection, custody, and care of the coin reserves of the country. It was a safer custodian of such reserves than a multitude of scattered banks would be. The authority to issue circulating notes by banks was not given to the banks for their benefit, but for the public convenience, and to enable them to meet the ebb and flow of currency caused by varying crops, productions, and seasons. It was indispensable that a power should exist somewhere to

issue and loan credit money at certain times, and to redeem it at others. This function could be performed better by corporations than by the government. The government could not loan money, deal in bills of exchange, or make advances on property.

I expressed the opinion, that the best currency for the people of the United States would be a carefully-limited amount of United States notes, promptly redeemable on presentation in coin, supported by ample reserves of coin, and supplemented by a system of national banks, organized under general laws, free and open to all, with power to issue circulating notes secured by United States bonds, deposited with the government and redeemable on demand in United States notes or coin. Such a system would secure to the people a safe currency of equal value in all parts of the country, receivable for all dues, and easily convertible into coin. Interest could thus be saved on so much of the public debt as could be conveniently maintained in permanent circulation, leaving to national banks the proper business of such corporations, of providing currency for the varying changes, the ebb and flow of trade.

I said that the legal tender quality given to United States notes was intended to maintain them in forced circulation at a time when their depreciation was inevitable. When they were redeemable in coin this quality might either be withdrawn or retained, without affecting their use as currency in ordinary times. But all experience had shown that there were periods when, under any system of paper money, however carefully guarded, it was impracticable to maintain actual coin redemption. Usually contracts would be based upon current paper money, and it was just that, during a sudden panic, or an unreasonable demand for coin, the creditor should not be allowed to demand payment in other than the currency upon which the debt was contracted. To meet this contingency, it would seem to be right to maintain the legal tender quality of the United States notes. If they were not at par with coin it was the fault of the government and not of the debtor, or, rather, it was the result of unforeseen stringency not contemplated by the contracting parties.

In establishing a system of paper money, designed to be permanent, I said it should be remembered that theretofore no expedient had been devised, either in this or other countries, that in times of panic or adverse trade had prevented the drain and exhaustion of coin reserves, however large or carefully guarded. Every such system must provide for a suspension of specie payment. Laws might forbid or ignore such a contingency, but it would come; and when it came it could not be resisted, but had to be acknowledged and declared, to prevent unnecessary sacrifice and ruin. In our free government the power to make this declaration would not be willingly intrusted to individuals, but should be determined by events and conditions known to all. It would be far better to fix the maximum of legal tender notes at $300,000,000, supported by a minimum reserve of $100,000,000, of coin, only to be used for the redemption of notes, not to be reissued until the reserve was restored. A demand for coin to exhaust such a reserve might not occur, but, if events should force it, the fact would be known and could be declared, and would justify a temporary suspension of specie payments. Some such expedient could, no doubt, be provided by Congress for an exceptional emergency. In other times the general confidence in these notes would maintain them at par in coin, and justify their use as reserves of banks and for the redemption of bank notes.

As to the fractional currency I said the resumption act provided for the exchange and substitution of silver coin for such currency. To facilitate this exchange, the joint resolution, approved July 22, 1876, provided that such coin should be issued to an amount not exceeding $10,000,000, for an equal amount of legal tender notes. It also provided that the aggregate amount of such coin and fractional currency outstanding should not exceed, at any time, $50,000,000. That limit would have been reached if the whole amount of fractional currency issued and not redeemed, had been held to be "outstanding." It was well known, however, that a very large amount of fractional currency issued had been destroyed, and could not be presented for redemption, and could hardly be held to be "outstanding." The Treasurer of the United

States, the Comptroller of the Currency, and the Director of the Mint concurred in estimating the amount, so lost and destroyed, to be not less than $8,083,513.

As it was evident that Congress intended to provide an aggregate issue of $50,000,000 of such coin and currency in circulation, I directed the further issue of silver coin, equal in amount to the currency estimated to have been lost and destroyed.

I recommended that the limitation upon the amount of such fractional coin, to be issued in exchange for United States notes, be repealed. This coin was readily taken, was in great favor with the people, its issue was profitable to the government, and experience had shown that there was no difficulty in maintaining it at par with United States notes. The estimated amount of such coin in circulation in the United States in 1860, at par with gold, was $43,000,000. Great Britain, with a population of 32,000,000, maintained an inferior fractional coin to the amount of $92,463,500, at par with gold, and other nations maintained a much larger *per capita* amount. The true limit of such coin was the demand that might be made for its issue, and if only issued in exchange for United States notes there was no danger of an excess being issued.

By the coinage act of 1873, any person might deposit silver bullion at the mint to be coined into trade dollars of the weight of 420 grains, troy, upon the payment of the cost of coinage. This provision had been made at a time when such a dollar, worth in the market 1.02\frac{13}{100}$ in gold, was designed for the use of trade in China, where silver was the only standard. By the joint resolution of July 22, 1876, passed when the trade dollar in market value, had fallen greatly below one dollar in gold, it was provided that it should not be thereafter a legal tender, and the Secretary of the Treasury was authorized "to limit the coinage thereof to such an amount as he may deem sufficient to meet the export demand for the same." Under these laws the amount of trade dollars issued, mainly for exportation, was $30,710,400.

In October, 1877, it became apparent that there was no further export demand for trade dollars, but deposits of silver

bullion were made, and such dollars were demanded of the mint for circulation in the United States, that the owner might secure the difference between the value of such bullion in the market and United States notes. At the time the mints were fully occupied by the issue of fractional, and other coins, on account of the government. Therefore, under the authority of the law of 1876 referred to, I directed that no further issues of trade dollars be made until necessary again to meet an export demand. In case another silver dollar was authorized, I recommended that the trade dollar be discontinued.

The question of the issue of a silver dollar for circulation as money had, previous to my report, been discussed and carefully examined by a commission organized by Congress, which had recommended the coinage of the old silver dollar. With such legislative provision as would maintain its current value at par with gold, its issue was recommended by me. I thought a gold coin of the denomination of one dollar was too small for convenient circulation, while such a coin in silver would be convenient for a multitude of daily transactions, and in a form to satisfy the natural instinct of hoarding.

I discussed the silver question at some length and said that of the metals, silver was of the most general use for coinage. It was a part of every system of coinage, even in countries where gold was the sole legal standard. It best measured the common wants of life, but, from its weight and bulk, was not a convenient medium in the larger exchanges of commerce. Its production was reasonably steady in amount. The relative market value of silver and gold was far more stable than that of any other two commodities—still, it did vary. It was not in the power of human law to prevent the variation. This inherent difficulty had compelled all nations to adopt one or the other as the sole standard of value, or to authorize an alternative standard of the cheaper coin, or to coin both metals at an arbitrary standard, and to maintain one at par with the other by limiting the amount and legal tender quality of the cheaper coin, and receiving or redeeming it at par with the other.

It had been the careful study of statesmen for many years to secure a bimetallic currency not subject to the changes of

market value, and so adjusted that both kinds could be kept in circulation together, not alternating with each other. The growing tendency had been to adopt, for coins, the principle of "redeemability" applied to different forms of paper money. By limiting tokens, silver, and paper money, to the amount needed for business, and promptly receiving or redeeming all that might at any time be in excess, all these forms of money could be kept in circulation, in large amounts, at par with gold. In this way, tokens of inferior intrinsic value were readily circulated, and did not depreciate below the paper money into which they were convertible. The fractional coin then in circulation, though the silver of which it was composed was of less market value than the paper money, passed readily among all classes of people and answered all the purposes for which it was designed. And so the silver dollar, if restored to our coinage, would greatly add to the convenience of the people. But this coin should be subject to the same rule, as to issue and convertibility, as other forms of money. If the market value of the silver in it was less than that of gold coin of the same denomination, and it was issued in unlimited quantities, and made a legal tender for all debts, it would demonetize gold and depreciate our paper money.

The importance of gold as the standard of value was conceded by all. Since 1834, it had been practically the sole coin standard of the United States, and, since 1815, had been the sole standard of Great Britain. Germany had recently adopted the same standard. France, and other Latin nations, had suspended the coinage of silver, and, it was supposed, would gradually either adopt the sole standard of gold, or provide for the convertibility of silver coin, on the demand of the holder, into gold coin.

In the United States, several experiments had been made with the view of retaining both gold and silver in circulation. The 2nd Congress undertook to establish the ratio of fifteen of silver to one of gold, with free coinage of both metals. By this ratio gold was under-valued, as one ounce of gold was worth more in the markets of the world than fifteen ounces of silver, and gold, therefore, was exported. To correct this, in

1837, the ratio was fixed at sixteen to one, but sixteen ounces of silver were worth, in the market, more than one ounce of gold, so that silver was demonetized.

These difficulties in the adjustment of gold and silver coinage had been fully considered by Congress, prior to the passage of the act approved February 21, 1853. By that act a new, and it was believed a permanent, policy was adopted to secure the simultaneous circulation of both silver and gold coins in the United States. Silver fractional coins were provided for at a ratio of 14.88 in silver to one in gold, and were only issued in exchange for gold coin. The right of private parties to deposit silver bullion for such coinage was repealed, and these coins were issued from bullion purchased by the Treasurer of the Mint, and only upon the account, and for the profit, of the United States. The coin was a legal tender only in payment of debts for all sums not exceeding five dollars. Though the silver in this coin was then worth in the market 3.13 cents on the dollar less than gold coin, yet its convenience for use as change, its issue by the government only in exchange for, and its practical convertibility into, gold coin, maintained it in circulation at par with gold coin. If the slight error in the ratio of 1792 prevented gold from entering into circulation for forty-five years, and the slight error in 1837 brought gold into circulation and banished silver until 1853, how much more certainly would an error then of nine per cent. cause gold to be exported and silver to become the sole standard of value? Was it worth while to travel again the round of errors, when experience had demonstrated that both metals could only be maintained in circulation together by adhering to the policy of 1853?

The silver dollar was not mentioned in the act of 1853, but from 1792 until 1874 it was worth more in the market than the gold dollar provided for in the act of 1837. It was not a current coin contemplated as being in circulation at the passage of the act of February 12, 1873. The whole amount of such dollars, issued prior to 1853, was $2,553,000. Subsequent to 1853, and until it was dropped from our coinage in 1873, the total amount issued was $5,492,838, and this was almost exclusively for exportation.

By the coinage act approved February 12, 1873, fractional silver coins were authorized, similar in general character to the coins of 1853, but with a slight increase of silver in them, to make them conform exactly to the French coinage, and the old dollar was replaced by the trade dollar of 420 grains of standard silver.

Much complaint had been made that this was done with the design of depriving the people of the privilege of paying their debts in a cheaper money than gold, but it was manifest that this was an error. No one then did or could foresee the subsequent fall in the market value of silver. The silver dollar was an unknown coin to the people, and was not in circulation even on the Pacific slope, where coin was in common use. The trade dollar of 420 grains was substituted for the silver dollar of 412½ grains because it was believed that it was better adapted to supersede the Mexican dollar in the Chinese trade, and experiment proved this to be true. Since the trade dollar was authorized $30,710,400 had been issued, or nearly four times the entire issue of old silver dollars since the foundation of the government. Had not the coinage act of 1873 passed, the United States would have been compelled to suspend the free coinage of silver dollars, as the Latin nations were, or to accept silver as the sole coin standard of value.

Since February, 1873, great changes had occurred in the market value of silver. Prior to that time the silver in the old dollar was worth more than a gold dollar, while it was worth then, in 1877, about 92 cents. If by law any holder of silver bullion might deposit it in the mint and demand a full legal tender dollar for every 412½ grains of standard silver deposited, the result would be inevitable that as soon as the mints could supply the demand the silver dollar would, by a financial law as fixed and invariable as the law of gravitation, become the only standard of value. All forms of paper money would fall to that standard or below it, and gold would be demonetized and quoted at a premium equal to its value in the markets of the world. For a time the run to deposit bullion at the mint would give to silver an artificial value, of which the holders and producers of silver bullion would have the sole benefit.

The utmost capacity of the mints would be employed for years to supply this demand at the cost of, and without profit to, the people. The silver dollar would take the place of gold as rapidly as coined, and be used in the payment of customs duties, causing an accumulation of such coins in the treasury. If used in paying the interest on the public debt, the grave questions then presented would arise with public creditors, seriously affecting the public credit.

It had been urged that the free coinage of silver in the United States would restore its market value to that of gold. Market value was fixed by the world, and not by the United States alone, and was affected by the whole mass of silver in the world. As the enormous and continuous demand for silver in Asia had not prevented the fall in silver, it was not likely that the limited demand for silver coin in this country, where paper money then was, and would be, the chief medium of exchange, would cause any considerable advance in its value. This advance, if any, would be secured by the demand for silver bullion for coin, to be issued by and for the United States, as well as if it were issued for the benefit of the holder of the bullion. If the financial condition of our country was so grievous that we must at every hazard have a cheaper dollar, in order to lessen the burden of debts already contracted, it would be far better, rather than to adopt the single standard of silver, to boldly reduce the number of grains in the gold dollar, or to abandon and retrace all efforts to make United States notes equal to coin. Either expedient would do greater harm to the public at large than any possible benefit to debtors.

The free coinage of silver would also impair the pledge made of the customs duties, by the act of February, 1862, for payment of the interest of the public debt. The policy adhered to of collecting these duties in gold coin, had been the chief cause of upholding and advancing the public credit, and making it possible to lessen the burden of interest by the process of refunding.

In view of these considerations, I felt it to be my duty to earnestly urge upon Congress the serious objections to the free coinage of silver on such conditions as would demonetize gold,

greatly disturb all the financial operations of the government, suddenly revolutionize the basis of our currency, throw upon the government the increased cost of coinage, arrest the refunding of the public debt, and impair the public credit, with no apparent advantage to the people at large.

I believed that all the beneficial results hoped for from a liberal issue of silver coin could be secured by issuing this coin, in pursuance of the general policy of the act of 1853, in exchange for United States notes, coined from bullion purchased in the open market by the United States, and by maintaining it by redemption, or otherwise, at par with gold coin. It could be made a legal tender for such sums and on such contracts as would secure to it the most general circulation. It could be easily redeemed in United States notes and gold coin, and only reissued when demanded for public convenience. If the essential quality of redeemability given to the United States notes, bank bills, tokens, fractional coins and currency, maintained them at par, how much easier it would be to maintain the silver dollar, of intrinsic market value nearly equal to gold, at par with gold coin, by giving to it the like quality of redeemability. To still further secure a fixed relative value of silver and gold, the United States might invite an international convention of commercial nations. Even such a convention, while it might check the fall of silver, could not prevent the operation of that higher law which places the market value of silver above human control. Issued upon the conditions stated, I was of opinion that the silver dollar would be a great public advantage, but that if issued without limit, upon the demand of the owners of silver bullion, it would be a great public injury.

CHAPTER XXXII.

Enactment of the Bland-Allison Silver Law.

Amendments to the Act Reported by the Committee on Finance—Revival of a Letter Written by Me in 1868—Explained in a Letter to Justin S. Morrill Ten Years Later—Text of the Bland Silver Bill as Amended by the Senate and Agreed to by the House—Vetoed by President Hayes—Becomes a Law Notwithstanding His Objections—I Decide to Terminate the Existing Contract with the Syndicate—Subscriptions Invited for Four per Cent. Bonds—Preparations for Resumption—Interviews with Committees of Both Houses—Condition of the Bank of England as Compared with the United States Treasury—Mr. Buckner Changes His Views Somewhat.

THE President's message supported and strengthened the position taken by me both in favor of the policy of resumption and against the free coinage of silver provided for in the Bland bill. The comments in the public press, both in the United States and in Europe, generally sustained the position taken by the President and myself. I soon had assurances that the Bland bill would not pass the Senate without radical changes. Even the House of Representatives, so recently eager to repeal the resumption act, and so hasty and united for the free coinage of silver, had become more conservative and would not have favored either measure without material changes. I conversed with Mr. Allison and wrote him the following letter:

Washington, D. C., December 10, 1877.

Hon. W. B. Allison, U. S. Senate.

Dear Sir:—Permit me to make an earnest appeal to you to so amend the silver bill that it will not arrest the refunding of our debt or prevent the sale of our four per cent. bonds. I know that upon you must mainly rest the responsibility of this measure, and I believe that you would not do anything that you did not think would advance the public service, whatever pressure might be brought to bear upon you.

It is now perfectly certain that unless the customs duties and the public debt—at least so much of it as was issued since February, 1873—are excepted, we cannot sell the bonds. The shock to our credit will bring back

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from abroad United States bonds, and our people will then have a chance to buy the existing bonds and we cannot sell the four per cent. bonds. This will be a grievous loss and damage to the administration and to our party, for which we must be held responsible. You know I have been as much in favor of the silver dollar as anyone, but if it is to be used to raise these difficult questions with public creditors, it will be an unmixed evil.

I wish I could impress you as I feel about this matter, and I know you would then share in the responsibility, if there is any, in so amending this bill that we can have all that is good out of it without the sure evil that may come from it if it arrests our funding and resumption operations.

With much respect, yours, etc.

JOHN SHERMAN.

The amendments to the Bland bill reported by Mr. Allison from the committee on finance, completely revolutionized that measure. The Senate committee proposed to strike out these words in the House bill:

"And any owner of silver bullion may deposit the same at any coinage mint or assay office, to be coined into such dollars, for his benefit, upon the same terms and conditions as gold bullion is deposited for coinage under existing laws."

And to insert the following:

"And the Secretary of the Treasury is authorized and directed, out of any money in the treasury not otherwise appropriated, to purchase, from time to time, at the market price thereof, not less than $2,000,000 per month, nor more than $4,000,000 per month, and cause the same to be coined into such dollars. And any gain or seigniorage arising from this coinage shall be accounted for and paid into the treasury, as provided under existing laws relative to the subsidiary coinage: *Provided*, that the amount of money at any one time invested in such silver bullion, exclusive of such resulting coin, shall not exceed $5,000,000."

These amendments were agreed to.

Sections two and three of the bill were added by the Senate. The bill, as amended, was sent to the House of Representatives, and the Senate amendments were agreed to. The bill as amended was as follows:

AN ACT TO AUTHORIZE THE COINAGE OF THE STANDARD SILVER DOLLAR, AND TO RESTORE ITS LEGAL TENDER CHARACTER.

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That there shall be coined, at the several mints of the United States, silver dollars of the weight of four

hundred and twelve and a half grains troy of standard silver, as provided in the act of January eighteenth, eighteen hundred thirty-seven, on which shall be the devices and superscriptions provided by said act; which coins, together with all silver dollars heretofore coined by the United States, of like weight and fineness, shall be a legal tender, at their nominal value, for all debts and dues, public and private, except where otherwise expressly stipulated in the contract. And the Secretary of the Treasury is authorized and directed to purchase, from time to time, silver bullion, at the market price thereof, not less than two million dollars worth per month, nor more than four million dollars worth per month, and cause the same to be coined monthly, as fast as so purchased, into such dollars; and a sum sufficient to carry out the foregoing provision of this act is hereby appropriated out of any money in the treasury not otherwise appropriated. And any gain or seigniorage arising from this coinage shall be accounted for and paid into the treasury, as provided under existing laws relative to the subsidiary coinage: *Provided*, That the amount of money at any one time invested in such silver bullion, exclusive of such resulting coin, shall not exceed five million dollars: *And provided further*, That nothing in this act shall be construed to authorize the payment in silver of certificates of deposit issued under the provisions of section two hundred and fifty-four of the Revised Statutes.

"SEC. 2. That immediately after the passage of this act, the President shall invite the governments of the countries composing the Latin Union, so-called, and of such other European nations as he may deem advisable, to join the United States in a conference to adopt a common ratio between gold and silver, for the purpose of establishing, internationally, the use of bimetallic money, and securing fixity of relative value between those metals; such conference to be held at such place, in Europe or in the United States, at such time within six months, as may be mutually agreed upon by the executives of the governments joining in the same, whenever the governments so invited, or any three of them, shall have signified their willingness to unite in the same.

"The President shall, by and with the advice and consent of the Senate, appoint three commissioners, who shall attend such conference on behalf of the United States, and shall report the doings thereof to the President, who shall transmit the same to Congress.

"Said commissioners shall each receive the sum of two thousand five hundred dollars and their reasonable expenses, to be approved by the Secretary of State; and the amount necessary to pay such compensation and expenses is hereby appropriated out of any money in the treasury not otherwise appropriated.

"SEC. 3. That any holder of the coin authorized by this act may deposit the same with the treasurer or any assistant treasurer of the United States in sums not less than ten dollars, and receive therefor certificates of not less than ten dollars each, corresponding with the denominations of the United States notes. The coin deposited for or representing the certificates shall

be retained in the treasury for the payment of the same on demand. Said certificates shall be receivable for customs, taxes, and all public dues, and, when so received, may be reissued.

"SEC. 4. All acts and parts of acts inconsistent with the provisions of this act are hereby repealed."

It was sent to the President, and was disapproved by him. His veto message was read in the House on the 28th of February, and upon the question whether the bill should pass, the objections of the President notwithstanding, it was adopted by a vote of yeas 196, nays 73. It passed the Senate on the same day, by a vote of yeas 46, nays 19, and thus became a law.

I did not agree with the President in his veto of the bill, for the radical changes made in its terms in the Senate had greatly changed its effect and tenor. The provisions authorizing the Secretary of the Treasury to purchase not less than $2,000,000 worth of silver bullion per month, at market price, and to coin it into dollars, placed the silver dollars upon the same basis as the subsidiary coins, except that the dollar contained a greater number of grains of silver than a dollar of the subsidiary coins, and was a legal tender for all debts without limit as to amount. The provision that the gain or seigniorage arising from the coinage should be accounted for and paid into the treasury, as under the existing laws relative to subsidiary coinage, seemed to remove all serious objections to the measure. In view of the strong public sentiment in favor of the free coinage of the silver dollar, I thought it better to make no objections to the passage of the bill, but I did not care to antagonize the wishes of the President. He honestly believed that it would greatly disturb the public credit to make a legal tender for all amounts, of a dollar, the bullion in which was not of equal commercial value to the gold dollar.

The provision made directing the President to invite the governments of the countries composing the Latin Union, and of such other European countries as he deemed advisable, to unite with the United States in adopting a common ratio between gold and silver, has been made the basis of several conferences which have ended without any practical result, and the question of the single or double standard still stands open

as the great disturbing question of public policy, affecting alike all commercial countries.

While this measure was pending in the Senate, a casual letter written by me ten years previously was frequently quoted, as evidence that I was then in favor of paying the bonds of the United States with United States notes, at that date at a large discount in coin. The letter is as follows:

UNITED STATES SENATE CHAMBER,
WASHINGTON, March 20, 1868.

DEAR SIR:—I was pleased to receive your letter. My personal interests are the same as yours, but, like you, I do not intend to be influenced by them. My construction of the law is the result of careful examination, and I feel quite sure an impartial court would confirm it, if the case could be tried before a court. I send you my views, as fully stated in a speech. Your idea is that we propose to repudiate or violate a promise when we offer to redeem the 'principal' in 'legal tender.' I think the bondholder violates his promise when he refuses to take the same kind of money he paid for the bonds. If the coin is to be tested by the law, I am right; if it is to be tested by Jay Cooke's advertisements, I am wrong. I hate repudiation, or anything like it, but we ought not to be deterred from doing what is right by fear of undeserved epithets. If, under the law as it stands, the holder of the 5-20's can only be paid in gold, then we are repudiators if we propose to pay otherwise. If, on the other hand, the bondholder can legally demand only the kind of money he paid, he is a repudiator and an extortioner to demand money more valuable than he gave. Yours truly,

JOHN SHERMAN.

HON. A. MANN, JR., Brooklyn Heights.

On the 26th of March, 1878, I wrote the following letter to Senator Justin S. Morrill, which was read by him in the debate, and, I think, was a conclusive answer to the erroneous construction put upon my letter to Mann:

MY DEAR SIR: Your letter of the 24th inst. is received. I have noticed that my casual letter to Dr. Mann, of the date of March 20, 1868, inclosing a speech made by me, has been frequently used to prove that I have changed my opinion since that time as to the right of the United States to pay the principal of the 5-20 bonds in legal tenders. This would not be very important, if true, but it is not true, as I never have changed my opinion as to the technical legal right to redeem the principal of the 5-20 bonds in legal tenders, but, as you know and correctly state, have always insisted that we could not avail ourselves of this legal right until we complied, in all respects, with the legal and moral obligations imposed by the legal tender

note, to redeem it in coin on demand or to restore the right to convert it into an interest-bearing government bond. The grounds of this opinion are very fully stated in the speech made February 27, 1868, referred to in the letter to Dr. Mann, and in a report on the funding bill made by me from the committee on finance, December 7, 1867.

If my letter is taken in connection with the speech which it inclosed and to which it expressly referred, it will be perceived that my position there is entirely consistent with what it is now, and time has proven that, if the report of the committee on finance had been adopted, we would long since have reached the coin standard, with an enormous saving of interest, and without impairing the public credit. My position was, that while the legal tender act made United States notes a legal tender for all debts, private and public, except for customs duties and interest of the public debt, yet we could not honestly compel the public creditors to receive United States notes in the payment of bonds until we made good the pledge of the public faith to pay the notes in coin. That promise was printed on the face of the notes when issued, was repeated in several acts of Congress, and was declared valid and obligatory by the Supreme Court.

From the first issue of the legal tender note, which I heartily supported and voted for, I have sought to make it good, to support, maintain and advance its value. It was in the earnest effort to restore to the greenback the right to be converted, on the demand of the holder, into a five per cent. bond and, as soon as practicable, into coin, that I made the speech referred to, resisting alike the demand of those who wished to exclude United States notes from the operation of funding and the large class of persons who wished to cheapen, degrade and ultimately repudiate them. In all my official connection with legislation as to legal tender notes, I have but one act to regret and to apologize for, and that is my acquiescence in the act of March 3, 1863, which, under the pressure of war and to promote the sale of bonds, took away from the holders of those notes the right to convert them into interest-bearing securities. This right might properly have been suspended during the war, but its repeal was a fatal act, the source and cause of all the financial evils we have suffered and from which we cannot recover until we restore that right or redeem on demand our notes in coin.

The speech referred to, and which I have recently read by reason of the reference to it in the letter to Dr. Mann, will clearly show that I have not been guilty of inconsistency or a change of opinion—the most pardonable of all offenses—but then I insisted, as I now insist, that no discrimination should be made against the note holder, but that until we are ready to pay him in coin he should be allowed, at his option, to convert his money into a bond at par. Until then our notes are depreciated by our wrongful act, and we have no right to take advantage of our own wrong by forcing upon the bondholders the notes we refuse to receive. This is the precise principle involved in the act to strengthen the public credit, approved March 18, 1869. That act did not in any respect change the legal and moral obligations

of the United States, but expressly provides that none of the interest-bearing obligations not already due shall be redeemed or paid before maturity, unless at such time as the United States notes shall be convertible into coin, at the option of the holder. And the act further 'solemnly pledges the public faith to make provisions, at the earliest practicable period, for the redemption of United States notes in coin.'

This is in exact harmony with the position I held when I wrote the letter to Dr. Mann and that I now maintain, the primary principle being that the United States notes shall first be brought to par in coin before they shall be forced upon the public creditor in payment of his bonds. This act is the settled law, and whatever any man's opinions were before it passed, he would assume a grave responsibility who would seek to evade its terms, weaken its authority or change its provisions. It has entered into every contract made since that time. It has passed the ordeal of four Congresses and two elections for Presidents. It cannot be revoked without public dishonor. So far as the bondholder is concerned, it is an executed law. Over $700,000,000 of bonds have been redeemed in coin under it, and the civilized world regards all the remainder as covered by its sanction, and in their faith in it our securities have become the second only in the markets of the world. This law is not yet quite executed so far as the note holder is concerned. His note is not yet quite as good as coin. Congress has debated ever since its passage the best mode to make it good. The Senate in 1870 provided, in the third section of the refunding act, as it passed that body, that these notes might be converted into four per cent. bonds, but the House would not concur. Everybody can now see that if this had been done these notes would now be at par in coin. Other expedients were proposed, and finally the resumption act was passed, and, if undisturbed, is now on the eve of execution.

The promise made in 1862, and so often repeated, is about to be fulfilled. Agitation on collateral questions may delay it, but the obligation of public faith, written on the face of every United States note and sacredly pledged by the act to strengthen the public credit, will give us neither peace nor assured prosperity until it is fulfilled. Public opinion may vibrate, and men and parties may array themselves against the fulfillment of these public promises, but in time they will be fulfilled, and I think the sooner the better. Pardon me for this long answer to your note, but I have no time to condense it.

Very respectfully,

JOHN SHERMAN.

Relief from the fear of the enactment of the Bland bill, and the limitation of the amount of silver dollars to be coined, removed the great impediment to the sale of four per cent. bonds, for refunding purposes, and the progress toward specie payments.

As already indicated, I had concluded to terminate the existing contract with the syndicate, and to make the sales directly through national bank depositaries, and the treasury and sub-treasuries of the United States. I therefore gave August Belmont & Co. the following notice:

TREASURY DEPARTMENT, January 14, 1878.

MESSRS. AUGUST BELMONT & Co., New York.

GENTLEMEN: In compliance with the second clause of the contract between the Secretary of the Treasury and yourselves and associates, of the date of June 9, 1877, for the sale of four per cent. bonds, I give you notice that from and after the 26th day of January instant that contract is terminated. It is the desire of the President, in which I concur, to open subscriptions in the United States to the four per cent. bonds in a different way from that provided in our contract, and therefore this notice is given. I sincerely hope to have your active coöperation in the new plan, and am disposed, if you are willing, to continue in substance, by a new contract with you, the sale of these bonds in European markets, and invite your suggestions to that end.

Very respectfully,

JOHN SHERMAN, Secretary.

I received from them the following answer:

NEW YORK, January 15, 1878.

HON. JOHN SHERMAN, Secretary of the Treasury, Washington.

DEAR SIR:—We beg to acknowledge receipt of your favor of the 14th instant, notifying us of the termination of the contract of June 9, 1877, for the sale of four per cent. bonds, on the 29th of this month, which we have communicated to the associates here and in London.

We have also communicated to our friends in London your willingness to continue the contract for the sale of the four per cent. bonds in Europe, with such modifications as may become necessary, and as soon as we have received their views we shall take pleasure in writing to you again for the purpose of appointing a conference on the subject.

In the meantime, we remain, very respectfully,

AUG. BELMONT & Co.

Notice was given to Mr. Conant of the termination of the contract, but he was advised by me that we would probably agree to the continuance of the syndicate in the European markets. He had expressed to me a fear that a panic would occur about our bonds in Europe, on account of the anticipated passage of the Bland bill, but I was able to assure him that it would not become a law in the form originally proposed,

Being thus free from all existing contracts, I published the following notice inviting subscriptions to the four per cent. bonds:

TREASURY DEPARTMENT,
WASHINGTON, D. C., January 16, 1878.

The Secretary of the Treasury hereby gives notice that, from the 26th instant, and until further notice, he will receive subscriptions for the four per cent. funded loan of the United States, in denominations as stated below, at par and accrued interest, in coin.

The bonds are redeemable July, 1907, and bear interest, payable quarterly, on the first day of January, April, July, and October, of each year, and are exempt from the payment of taxes or duties to the United States, as well as from taxation in any form by or under state, municipal, or local authority.

The subscriptions may be made for coupon bonds of $50, $100, $500, and $1,000, and for registered bonds of $50, $100, $500, $1,000, $5,000, and $10,000.

Two per cent. of the purchase money must accompany the subscription; the remainder may be paid at the pleasure of the purchaser, either at the time of subscription or within thirty days thereafter, with interest on the amount of the subscription, at the rate of four per cent. per annum, to date of payment.

Upon the receipt of full payment, the bonds will be transmitted, free of charge, to the subscribers, and a commission of one-fourth of one per cent. will be allowed upon the amount of subscriptions, but no commission will be paid upon any single subscription less than $1,000.

Forms of application will be furnished by the treasurer at Washington, the assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, St. Louis, and San Francisco, and by the national banks and bankers generally. The applications must specify the amount and denominations required, and, for registered bonds, the full name and post office address of the person to whom the bonds shall be made payable.

The interest on the registered bonds will be paid by check, issued by the treasurer of the United States, to the order of the holder, and mailed to his address. The check is payable on presentation, properly indorsed, at the offices of the treasurer and assistant treasurers of the United States.

Payments for the bonds may be made in coin to the treasurer of the United States at Washington, or the assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, St. Louis, and San Francisco.

To promote the convenience of subscribers, the department will also receive, in lieu of coin, called bonds of the United States, coupons past due or maturing within thirty days, or gold certificates issued under the act of March 3, 1863, and national banks will be designated as depositaries under the provisions of section 5153, Revised Statutes of the United States, to receive deposits on account of this loan, under regulations to be hereafter prescribed.

JOHN SHERMAN, Secretary of the Treasury.

After the publication of this notice inviting subscriptions to the four per cent. bonds, I found that the chief impediment in my way was the apparent disposition of both Houses of Congress to require the called bonds to be paid in United States notes. This was not confined to any party, for, while the majority of the Democrats of each House were in favor of such payment, many of the prominent Republicans were fully committed to the same policy. I was requested by committees of the two Houses, from time to time, to appear before them, which, in compliance with the law, I cheerfully did, and found that a free and unrestricted statement of what I proposed to do was not only beneficial to the public service, but soon induced Congress not to interfere with my plans for resumption. My first interview was on the 11th of March, 1878, with the committee on coinage of the House, of which Alexander H. Stephens, of Georgia, was chairman. I was accompanied by H. R. Linderman, Director of the Mint. The notes of the conference were ordered by the House of Representatives to be printed, and the committee was convinced of the correctness of the statements in regard to the amount of actual coin and bullion on hand, and where it was situated, which had been previously doubted.

On the 19th of March, I had an interview with the Senate committee on finance, of which Mr. Morrill, of Vermont, was chairman. I was examined at great length and detail as to the preparations for resumption, and the actual state of the treasury at that time. The principal topic discussed was whether the four per cent. bonds could be sold, Mr. Bayard being evidently in favor of the substitution of the four and a half per cents. for the four per cent. bonds I had placed on the market. The question of how to obtain gold coin and bullion was fully considered in this interview, and here I was able to convince the committee that a purchase of domestic gold coin and bullion would meet all the requirements of the treasury, and that no necessity existed for the purchase of gold abroad. This interview, which covers over twenty printed pages, I believe entirely satisfied the committee of the expediency of the steps taken by me and their probable success. After this interview I had the

assistance of the committee of finance, without regard to party, in the measures adopted by me. Mr. Bayard and Mr. Kernan gave me their hearty support, and Mr. Voorhees made no unfriendly opposition. The report of this interview was subsequently published, and had a good effect upon the popular mind.

By far the most important interview was one with the committee on banking and currency, of the House of Representatives, of which A. H. Buckner, of Missouri, was chairman. A large majority of this committee had reported a bill to repeal the resumption act, and the members of the committee of each party were among the most pronounced greenbackers in the House of Representatives. Perhaps the most aggressive was Thomas Ewing, a friend, and by marriage a relative of mine, a Member of ability and influence, and thoroughly sincere in his convictions against the policy of resumption. I was summoned before this committee to answer a series of interrogatories furnished me a few days previously, calling for statements as to the actual amount of gold and silver belonging to, and in the custody of, the treasury department on the 28th of March, where located and what deductions were to be made from it, on account of actual existing demands against it. This interview, extending through several days, and covering seventy-three printed pages, embraced every phase of the financial condition of the United States, and the policy of the treasury department in the past and in the future. At the end of the first day the principal question seemed to be whether it was possible that the United States could resume specie payments and maintain them. This led to a careful scrutiny of the amount of gold in the treasury, Mr. Ewing assuming that a portion of the amount stated was "phantom" gold, and was really not available for the purposes of resumption. I said that the United States would be, on the 1st of January, in a better condition to resume specie payments than the Bank of England was to maintain them, and gave my reasons for that opinion. I saw that Mr. Ewing regarded this statement as an exaggeration.

After the adjournment I understood that Mr. Ewing said that I was grossly in error, and that he would be able to show

it by authentic documents as to the condition of the Bank of England. He said that I was laboring under delusions, which he would be able to expose at the next meeting. When we again met with the full committee present, Mr. Ewing said:

"I ask your attention to a comparison of the condition of the treasury for resumption with the condition of the Bank of England in 1819 and now, with the Bank of France this year, and with the banks of the United States in 1857 and 1861."

To this I replied:

"When I said the other day that I thought the condition of the treasury, on the 1st of January next, would be as good as the Bank of England, I had not then before me the actual figures or tables, but only spoke from a general knowledge of the facts. Since then I have given the matter a good deal of attention, and now have some carefully prepared tables, founded upon late information, giving the exact comparison of the condition of the Bank of England, the Bank of France, the Bank of Germany, the Bank of Belgium, the national banks, and the treasury. These tables will show that pretty accurately."

I handed the tables to the committee, and they are printed with the report. I then proceeded to show in detail that while the Bank of England had notes outstanding to the amount of £38,698,020, it had on hand as assets: government debt, £11,015,100; other securities, £3,984,900; gold coin and bullion, £23,698,020; that upon this it was apparent that in the issue department the Bank of England was stronger than the United States; but in the banking department, the bank was liable for deposits, the most dangerous form of liability, and various other forms of liability, to the amount of £46,277,277. To pay these it had government securities, notes and other securities, and £1,032,773 gold and silver coin, in all amounting to £46,277,277. Combining these accounts it was shown that the demand liabilities on the bank were £54,639,171, while the gold and bullion on hand was only £24,730,793. Then I said:

"Now, in regard to the United States, I have a statement here showing the apparent and probable condition of the United States treasury on April 1, 1878, and on the 1st of January next. The only difference in these statements is that I add to the present condition of the treasury the proposed accumulation of fifty millions of coin and a substantial payment before that of the fractional currency. I think it will be practically redeemed before

that time. The actual results show the amount of demand liabilities on April 1, 1878, against the United States, as $460,527,374, and they show the demand resources, including coin and currency, at $174,324,459, making the percentage of resources to liabilities thirty-seven. To show the probable condition of the treasury on the 1st of January, 1879, I add the fifty millions of coin and I take off the fractional currency, and deduct estimated United States notes lost and destroyed, leaving the other items about the same. That would show an aggregate of probable liabilities of $435,098,400 and probable cash resources of $224,324,459, making fifty-one per cent. of the demand liabilities. The ratio of the Bank of England, at this time, is forty-five per cent.; the ratio of the Bank of France, is sixty-five per cent.; the ratio of the Bank of Germany, is fifty-eight per cent.; and the ratio of the Bank of Belgium, is twenty-five per cent., all based upon the same figures."

I gave the statistics as to the condition of the national banks, showing their assets and liabilities, that they were not bound to redeem their notes in gold or silver, but could redeem them in United States notes, of which they had on hand $97,083,248, and besides they had deposited in the treasury, as security for their notes, an amount of United States bonds ten per cent. greater than the entire amount of their circulating notes, and that these bonds were worth in the market a large premium in currency. In addition to the legal tenders on hand, they had five per cent. of their circulation in legal tender notes deposited in the treasury as a redemption fund, amounting to $15,028,340. They had also on hand gold and silver coin and gold certificates amounting to $32,907,750, making a total cash reserve of $145,019,338. The ratio of their legal tender funds to circulation was 48.4; ratio of legal tenders to circulation and deposits, 15.1.

In this interview I explicitly stated to the committee my purpose to sell bonds, under the resumption act, at the rate of $5,000,000 a month, to the aggregate amount of $50,000,000; that I was satisfied I could make this sale upon favorable terms, and could add to the coin then in the treasury the sum of $50,000,000 gold coin, which I thought sufficient to secure and maintain the parity of our notes with coin. Mr. Ewing inquired:

"Where do you expect to get the additional fifty millions of gold by January 1, 1879?"

My answer was as follows:

"You must see that for me to state too closely what I propose to do might prevent me from doing what I expect to do, and therefore I will answer your question just as far as I think you will say I ought to go. I answer, mainly from the sale of bonds. Indeed, in the present condition of the revenue, we cannot expect much help from surplus revenue, except so far as that surplus revenue may be applied to the payment of greenbacks and to the redemption of fractional currency in aid of the sinking fund. To that extent I think we can rely upon revenue enough to retire the United States notes redeemed under the resumption act; so that I would say that we can get the $50,000,000 of gold additional by the sale of bonds. As to the kind of bonds that I would sell, and as to how I would sell them, etc., I ought not to say anything on that subject at present, because you ought to allow me, as an executive officer, in the exercise of a very delicate discretion, free power to act as I think right at the moment, holding me responsible for my action afterward. As to what bonds I will sell, or where I will sell them, or how I will sell them, as that is a discretionary power left with the secretary, I ought not to decide that now, but to decide it as the case arises."

Some question was made by Mr. Ewing as to the ability to sell bonds, and he asked:

"I understood you to say in your interview with the Senate committee that you would have to rely upon the natural currents of trade to bring gold from abroad; that is, that there cannot be a large sale of bonds for coin abroad. Is it on a foreign sale that you are relying?"

I replied:

"Not at all, but on a sale at home. Perhaps I might as well say that if I can get two-thirds of this year's supply of gold and silver from our own mines, it will amount to a good deal more than $50,000,000, so that I do not have to go abroad for gold. If we can keep our own gold and silver from going abroad, it is more than I want."

Mr. Buckner inquired:

"For this $50,000,000 additional I suppose you rely, to some extent, on the coinage of silver?"

I said:

"To some extent; silver and gold we consider the same under the law."

Mr. Ewing asked:

"Do you expect to pay out the silver dollar coined by you for current expenses, or only for coin liabilities, or to hoard it for resumption?"

I said :

"I expect to pay it out now only in exchange for gold coin or for silver bullion. I am perfectly free to answer the question fully, because on that point, after consulting with many Members of both Houses, I have made up my mind what the law requires me to do. I propose to issue all the silver dollars that are demanded in exchange for gold coin. That has been going on to some extent; how far I cannot tell. Then I propose to use the silver in payment for silver bullion, which I can do at par in gold. I then propose to buy all the rest of the silver bullion which I need, under the law, with silver coin. As a matter of course, in the current course of business, some of that silver coin will go into circulation; how much, I do not know. The more, the better for us. But most of it, I take it, will be transferred to the treasury for silver certificates (that seems to be the idea of the bill), and those silver certificates will come into the treasury in payment of duties, and in that way, practically, the silver will belong to the government again."

Some question arose as to the reissue of treasury notes under the resumption act. I expressed my opinion that all notes not in excess of $300,000,000 could be reissued under existing laws, but as to whether notes in excess of $300,000,000 could be reissued was a question which I hoped Congress would settle, that I considered the law as doubtful. Congress did subsequently suspend the retirement of United States notes at $346,000,000.

The sinking fund and many other subjects were embraced in this interview, the importance of which would justify a fuller statement than I have given, but, as the interview has been published as a public document, I do not give further details. I stated frankly and explicitly what I intended to do if not interrupted by Congress. I felt assured, not only from the Senate, but from what I could learn from Members of the House, that no material change of existing law would be made to prevent the proposed operations of the treasury department. From that time forward I had not the least doubt of success in preparing for and maintaining resumption, and refunding, at a lower rate of interest, all the public debt then subject to redemption.

I think I entirely satisfied the committee that the government was not dealing with shadows, but had undertaken a task which it could easily accomplish, if not prevented by our

common masters, the Congress of the United States. It was said of Mr. Buckner that before I appeared before the committee, he regarded me as a visionary enthusiast, who had undertaken to do what was impossible to be done, that after the first day of the examination he came to the conclusion that I was honest in my belief that resumption was possible, but he did not believe in my ability to do what was proposed; at the end of the second day he expressed some doubts of the ability to resume, but said that the object aimed at was a good one, and he was not disposed to interfere with the experiment; and on the third day he said he believed I had faith in the success of resumption, and would not interfere with it, but if I failed I would be the "deadest man politically" that ever lived.

CHAPTER XXXIII.

Sale of Bonds for Resumption Purposes.

Arrangements Begun for the Disposal of $50,000,000 for Gold or Bullion — Interviews with Prominent Bankers in New York — Proposition in Behalf of the National Banks — Terms of the Contract made with the Syndicate — Public Comment at the Close of the Negotiations — "Gath's" Interview with Me at the Completion of the Sale — Eastern Press Approves the Contract While the West Was Either Indifferent or Opposed to it — Senate Still Discussing the Expediency of Repealing the Resumption Act — Letter to Senator Ferry — Violent and Bitter Animosity Aroused Against Me — I Am Charged with Corruption — Interview with and Reply to Letter of Peter Cooper — Clarkson N. Potter's Charges.

THE general results of these interviews, which had a wide circulation at the time, I believe were beneficial, and at least assured the public that a hopeful and determined effort was being made to advance United States notes and national bank notes to par with coin.

Before I had these interviews I had determined to sell $50,000,000 bonds at the rate of $5,000,000 a month for gold coin or bullion for resumption purposes, and also to press the refunding operations as rapidly as possible. I had at my disposal an unlimited amount of five, four and a half and four per cent. bonds, with authority to sell either kind to accumulate coin for the maintenance of resumption, or for the payment of bonds that were at the time redeemable, bearing a higher rate of interest. My printed correspondence with banks and bankers shows the advancing value of the four and four and a half per cent. bonds. The most active agent for the sale of these bonds was the First National Bank of New York, which had been the agent of the syndicate, and, though having no privilege or facility that was not extended to all banks and bankers alike, it evinced the utmost activity, intelligence and success, and took the lead in the sale of bonds. The advancing quotations furnished by it and other banks and

bankers satisfied me that the policy of an open loan, such as was provided for by the notice of January 16, 1878, would be successful, if only we could have the certainty of coin payments by the 1st of January, 1879. I knew of the sensitive jealousy between the banks and bankers and between the old syndicate and prominent and wealthy firms who wished to participate in any new syndicate, and were jealous and suspicious of each other.

Offers were made to me by banks and bankers for special arrangements for the purchase of bonds, but I put them all aside until after I had written to all the parties a notice substantially similar to the following, sent to Belmont & Co.:

TREASURY DEPARTMENT, April 5, 1878.

GENTLEMEN:—It is my purpose to be in New York at four o'clock on Monday afternoon, and I would like, if practicable, to meet the members of the old syndicate at the Fifth Avenue Hotel that evening at any hour convenient to them, to confer as to the best mode of obtaining $50,000,000 gold coin or bullion prior to January 1, 1879, for resumption purposes, and to receive from the associates, or any of them, or from new parties, offers for any of the description of bonds I am authorized to sell for that purpose.

I propose to accumulate this coin in either the treasury, the assay offices, or the public depositaries throughout the United States that will comply with the conditions of section 5153 Revised Statutes.

I will send a similar letter to this to the First National Bank, and have to request that you will give notice to the other members of the old syndicate, and, with their consent, to any others you desire to participate in the interview. Very respectfully, JOHN SHERMAN, Secretary.

MESSRS. AUGUST BELMONT & CO., New York.

I sent General Hillhouse the following notice:

TREASURY DEPARTMENT, April 5, 1878.

SIR:—You will please inform Messrs. H. F. Vail, president National Bank of Commerce; J. D. Vermilye, president Merchants' National Bank; George S. Coe, president American Exchange National Bank; B. B. Sherman, Mechanics' National Bank, and James Buell, president Importers and Traders' National Bank, that I desire an interview with them at any hour on Tuesday next, at your office, or at such other places as they may prefer, in respect to the purchase for the Treasury for resumption of, say, $50,000,000 gold coin or bullion, to be delivered monthly and before the 1st of January next, either at your office or at the designated depositaries of the United States, under section 5153 Revised Statutes, and also, if practicable, to secure from them a bid for either of the three classes of bonds described in

the refunding act to an amount sufficient to purchase the coin stated. These gentlemen are respectfully requested to select such others connected with national banks as they may agree upon to join in the interview.

Very respectfully, JOHN SHERMAN, Secretary.

GENERAL THOMAS HILLHOUSE,
Assistant Treasurer United States, New York.

Regarding the negotiation as one of great importance, I was accompanied to New York by Hon. Charles Devens, Attorney General; John Jay Knox, Comptroller of the Currency; Charles F. Conant, Assistant Secretary; Daniel Baker, Chief of the Loan Division, and E. J. Babcock, my Secretary.

On the 8th of April I, with the gentlemen named, had an interview with the members of the old syndicate, Messrs. Belmont, Seligman, Bliss, Fabri and Fahnestock.

I stated that the object of my visit to New York, and of my request for an interview with the associates, was to obtain $50,000,000 coin for resumption purposes, and I would like to sell four per cent. bonds to that amount.

Mr. Belmont did not think the four per cent. bonds could be sold then, and the associates all concurred in the opinion that they would prefer making a proposition for the four and a halfs, although they were not prepared to make any definite offer. I said I would like to get 103 for the four and a halfs, but the associates said they would not consider that at all; they would communicate with the Rothschilds and others, and might possibly be able to offer 101; they would come to some conclusion by the next day.

On the following day, at the National Bank of Commerce, I met the presidents of the national banks: Mr. Vail, Commerce; Mr. Vermilye, Merchants'; Mr. Coe, Merchants' Exchange; Mr. Sherman, Mechanics'; Mr. Buell, Importers and Traders'; Mr. Moses Taylor, City; Mr. F. D. Tappan, Gallatin; Mr. G. G. Williams, Chemical; Mr. F. A. Palmer, Broadway; Mr. George I. Seney, Metropolitan; Mr. P. C. Calhoun, Fourth National.

Mr. Vail said that this meeting was called at my request, that the gentlemen present had no information as to the object of the meeting, and had had no opportunity for consultation; that I would explain more fully what I desired.

I said that I proposed to resume specie payments on the 1st of January, in accordance with law, and that for this purpose I wished to get $50,000,000 of gold, and, to accumulate this amount, would if possible, sell four per cent. bonds.

Mr. Vermilye and Mr. Coe spoke at some length to the effect that they were in full accord with me on the subject of resuming specie payments, and they were willing to coöperate in any way to bring it about. They said that although they had not consulted with the other gentlemen present, they had no doubt they were all agreed upon this subject. They thought, however, it would be utterly useless to attempt to sell four per cent. bonds, and that as far as such bonds were concerned there need be no more said.

I said this being so, I would like to have some propositions for four and a halfs.

Mr. Coe said that no definite proposition could be made without further consultation among themselves; that they were willing to assist to the extent of their power to obtain resumption; that they would place themselves at my service in any way I might wish without compensation. He said that he thought an arrangement could be made by which the national banks could be made my agents in the sale of bonds. He thought the banks might take the $50,000,000 of four and a half per cent. bonds, to be paid for by the 1st of January, the government to receive whatever the banks could get for the bonds.

I invited the gentlemen to confer among themselves, and, if practicable, make me some definite proposition in the morning.

In the afternoon of the same day we met the members of the old syndicate. Mr. Belmont read a cable from the Rothschilds offering 101 for $100,000,000 four and a half per cent. bonds, $50,000,000 for resumption and $50,000,000 for refunding purposes.

I said I was not prepared to accept, but would give a definite answer next day.

On the following morning I met Mr. Vail, of the National Bank of Commerce, and Mr. Vermilye, of the Merchants' National Bank, at the sub-treasury.

Mr. Vail and Mr. Vermilye submitted a memorandum that if I would indicate my willingness to receive a proposition for the negotiation of $50,000,000 four and a half per cent. bonds at par in gold they would recommend the national banks to unite in making it.

I then asked Mr. Vail and Mr. Vermilye whether, if a proposition was made to me by bankers of acknowledged credit and responsibility of 101 for four and a half per cent. bonds, payable in installments and with the usual option, in their opinion, it was my duty to accept it.

They both said decidedly, yes; that such an arrangement would be far more advantageous than the acceptance of their proposition, and besides, if they took the bonds, it might impair to some extent their power to render the usual facilities to their commercial customers.

The proposition submitted by Messrs. Vail and Vermilye, in behalf of the national banks, was as follows:

"If the secretary will intimate his willingness to receive a proposition from the national banks in New York, Boston, Philadelphia and Baltimore for the negotiation of fifty millions four and a half per cent. bonds at par in gold, for resumption purposes, we will recommend our associates to unite in making it, with the belief on our part that it can be accomplished as suggested. This special loan to be the only bonds of this character offered, unless the same parties have the option of any further sums required."

Afterwards, on the same day, I again met the members of the syndicate at the sub-treasury, and said that I would sell only $50,000,000 four and a half per cent. bonds; that these must be paid for in gold coin, for resumption purposes; that I would sell them for 101½, allowing one-half of one per cent. commission, the syndicate to pay all expenses; but before signing the contract wished to communicate with the President.

These terms were accepted by the syndicate upon condition that their associates in London would consent, they reserving the right to cable to London for such consent; and the meeting adjourned until 1:30 o'clock, when, I having received a telegram from the President, the details of the contract were then discussed, and signature was delayed for an answer to the cable of the syndicate.

On the following day we again met at the sub-treasury, and Mr. Lucke, of Belmont & Co., informed me that the English parties had authorized them to close the contract, and it was therefore signed. It was as follows:

This agreement, entered into this 11th day of April, 1878, between the Secretary of the Treasury of the United States, of the first part, and August Belmont & Co., of New York, on behalf of N. M. Rothschild & Sons, of London, England, and their associates and themselves; Drexel, Morgan & Co., of New York, on behalf of J. S. Morgan & Co., of London, and themselves; J. & W. Seligman & Co., of New York, on behalf of Seligman Bros., of London, and themselves; Morton, Bliss & Co., of New York, on behalf of Morton, Rose & Co., of London, and themselves; and the First National Bank of the city of New York, witnesseth: That said August Belmont & Co., on behalf of N. M. Rothschild & Sons, and their associates and themselves, hereby agree to purchase from the Secretary of the Treasury $4,125,000 of the four and a half per cent. bonds of the United States, issued under the acts of July 14, 1870, January 20, 1871, and January 14, 1875, and that Drexel, Morgan & Co., on behalf of J. S. Morgan & Co., and themselves, agree to purchase $1,625,000 of said bonds, and that J. & W. Seligman & Co., on behalf of Seligman Bros., and themselves, agree to purchase $1,625,000 of said bonds, and that Morton, Bliss & Co., on behalf of Morton, Rose & Co., and themselves, agree to purchase $1,625,000 of said bonds, and that the First National Bank of the city of New York agrees to purchase $1,000,000 of said bonds; making a total aggregate of $10,000,000 of said bonds on the terms and conditions following:

First. The bonds covered by this contract shall be sold for resumption purposes.

Second. The parties of the second part shall have the exclusive right to subscribe in the same proportion of each of the subscribers for the remainder of the $50,000,000 of the four and a half per cent. bonds of the United States authorized to be issued by the acts of Congress aforesaid; but the amount to be so subscribed shall not be less than $5,000,000 for each and every month after the present month of April.

Third That the Secretary of the Treasury shall not sell, during the continuance of this contract, any bonds other than such as by act of Congress may be provided to be sold for the payment of the Halifax or Geneva award, and the four per cent. consols of the United States, and those only for refunding purposes, except by mutual agreement of the parties hereto.

Fourth. The parties of the second part agree to pay for the said four and a half per cent. bonds par and one and a half per cent. premium and interest accrued to the date of the application for the delivery of said bonds, in gold coin or matured United States gold coin coupons, or any of the six per centum 5-20 bonds heretofore called for redemption, or in United States gold certificates of deposit issued under the act of March 3, 1873, or in gold

coin certificates of deposit of authorized designated deposit, and that have complied with the law.

Fifth. The parties of the second part shall receive in gold coin a commission of half of one per centum on all bonds taken by them under this contract, as allowed by the act of July 14, 1870, and shall assume and defray all expenses which may be incurred in sending the bonds to London or elsewhere, upon their request, or by transmitting the bonds, coupons, or coin to the treasury department at Washington, including all cost of making the exchange. The bonds shall also be charged with the cost of preparation and the issuing of the bonds.

Sixth. No bonds shall be delivered to the parties of the second part, or either of them, until payment shall have been made in full therefor, in accordance with the terms of this contract.

Signed by John Sherman, Secretary of the Treasury, J. & W. Seligman & Co., Morton, Bliss & Co., August Belmont & Co., the First National Bank of New York, Drexel, Morgan & Co.; and by Assistant United States Treasurer Thomas Hillhouse and E. J. Babcock, as witnesses.

The importance of this contract and the open publicity of the negotiation, created quite a sensation in the newspaper press, which presented a medley of praise and censure. All varieties of opinion from extravagant flattery to extreme denunciation were visited upon me by the editors of papers according to their preconceived opinions. I made no effort at secrecy, and no answer to either praise or blame, but freely contributed any information in respect to the matter to anyone, whether friendly or otherwise, who applied to me. Perhaps as accurate a statement as any, of my opinions, was made by George Alfred Townsend, over his *nom de plume* of "Gath," in the New York "Graphic" of April 12, 1878. He said:

At four o'clock yesterday afternoon John Sherman, the Secretary of the Treasury, was sitting in Parlor No. 1, the ante-room of the late Republican national committee, when I followed my card into his presence. "Ah!" he said, rising from an easy chair where he was resting, like one recently wearied but now relieved. "Come in; its all over now, and I don't mind telling you about it."

"Yes, its all over Wall street, and I think opinion was more favorable to the syndicate getting the bonds than the bank presidents."

"The representatives of the banks were very polite and well-meaning," said the secretary. "I sent word that I was coming to the city and asked the national banks, as intimately related to the treasury department, to select persons to meet me. I also notified the members of the old syndicate that I had some propositions to suggest to them."

"This is your third visit on the general object of resumption? A very eventful visit, isn't it, in the story of our finances?"

"Well, both my previous visits were important—in May, 1877, when $200,000,000 of four and a half per cent. bonds were disposed of, and again last June, when $75,000,000 of the four per cent. bonds were subscribed for. The present visit is probably the last with such an object. I feel glad and relieved."

"You failed to get the bank philosophers to get you the $50,000,000 of gold?"

"I thought I could see that they did not mean to enter into the subscription. They all said they wanted to see resumption achieved, and would like to aid it, but spoke of their obligations to their commercial customers. They said too, that they would have to rely on brokers to get the gold and pay commissions for it, and were afraid it might be run up on them. One or two, perhaps, expected a more advantageous offer as to rates—indeed, wanted me to pay them a commission for selling our bonds at par. I can excuse them, because they will have to be looking after the redemption of their own circulation."

I suggested to the secretary that some of the bank presidents had discouraged resumption or treated it as a figment.

"When the congressional committee was over here," he answered, "there was something said about the advantage of getting priority in the line on resumption day; but that is nothing. They were very civil, but didn't see the proposition favorably."

"Is there any disadvantage in negotiating through the syndicate?"

"No, there is an advantage in this respect; they sold the higher bonds abroad, and taking these will also place a part of them there, facilitating exchange in commercial settlements and interestedly maintaining prices. A portion of these low bonds ought to locate in Europe."

"Speaking of exchange, Mr. secretary, the idea has been put forward here, in the fiscal form, I believe, that a large, round balance of trade in our favor indicates poverty and collapse. Is that good political economy?"

"There are nations," said the secretary, "like England, which have steady apparent balances of trade against them, yet show a great prosperity. But that is only the product of English money invested in foreign places and colonies; it is an apparent purchase, but really their own harvest. No nation that is greatly in debt, as we are, can observe real balances of trade overwhelmingly against us and not feel alarmed."

"Do you expect any opposition from Congress as the reply to this negotiation and the near probability of specie payments?"

"No, I do not think Congress will interfere. The conservative element of the inflation party was appeased by the reissue of $300,000,000, and the candid way in which their silver legislation was carried out. I do not anticipate that Congress can affect this action."

"May not the surprise of the news that you so readily negotiated these bonds and secured your gold, enrage those who have cast their political hopes upon preventing resumption?"

"I do not see why. General Ewing and the finance committee were clearly apprised by me two weeks ago of the exact plan I have followed out. They questioned me directly, and I told them. As no attack has been made upon that programme, I look for no successful resistance to its performance."

"Do you consider the price paid by the syndicate for these bonds as good?"

"It was the best that could at present be had. I wanted them, first, to take $50,000,000 to $100,000,000 of the four per cent. bonds at 103 — bonds that I think preferable in some respects, particularly for durable investment. These gentlemen, however, thought those bonds not convenient for them for ready sale, and they urged that I ought to let them have the four and a half per cents. at par, as some had been put to the people at that. I desired a premium of three per cent. They finally met me half way, and gave one and a half premium. In short, we get a very little scant of 103 currency for those bonds, for the syndicate pays over to us the accrued interest."

"You do not anticipate that they will take the $10,000,000 and decline the other $40,000,000?"

"No; I think our economy, industry, exports, production, ready resources and general physical and political superiority will expand right onward and protect everybody who puts faith in our national securities."

"How much gold have you absolutely got for resumption to-day?"

"Seventy-two millions clear net of our own. I have nearly $140,000,000 present due, or coming, not counting any liabilities on it. The $50,000,000 I have secured to-day will give me, clear of everything, $120,000,000 of gold, and that is plenty."

"Have you read the views of Mr. Musgrave and other bankers, in 'The Graphic,' on the theory that you have enough gold now and would not have to redeem much with your gold? I heard a merchant say this afternoon that you might not have $5,000,000 put at you!"

"That is more likely to be the case now," said Mr. Sherman "when I am so well protected. There might be a dash made at my $72,000,000— not at my $120,000,000."

As a flattering background to his interview Mr. Townsend gave the following description of myself, which I hope it will not be egotism to publish. There were so many descriptions of me of a different character that I feel at liberty to quote one that was quite friendly:

"John Sherman, as he sat before me, young looking, his hair and beard in perfect color, his manners gracious and indicating an easy spirit not above

enjoyment, and manners not abraded by application, seemed to be a very excellent example to young public men. His nature had not been worn out in personal contests, nor his courage abated by the exercise of discretion and civility. He was the earliest and best champion of the Republican party—its first candidate for speaker of Congress, its last Secretary of the Treasury. For twenty years he has been in the national center of observation. He owes to temperance and study, exercise and natural sense, his present proud position as the principal exponent of the Republican party. Not in the Senate is that party seen at its best, but in the executive, where the President's original discrimination is approved by time and events; he chose John Sherman first of the cabinet, and within thirteen months he has concluded the last great treaty of the war—peace with the public creditor. In our arising commerce and huge balances of trade, we observe again 'Sherman's march to the sea.'"

The following statement in regard to the new loan and the national banks appeared in the "Financial Chronicle" of April 13:

"Mr. Sherman has shown, in his interviews with the committees of the House and Senate, not only his faith in the possibility of executing the resumption act, but also his determination to do it; and the disclosures of the past few days are the signs of the progress he is making. In fact, the events of the week, culminating in the successful negotiation with the syndicate bankers of a sale of four and a half per cent. bonds, practically put at rest all doubts with regard to the fact that on or before the 1st day of January, 1879, anyone can, on application at the office of the assistant treasurer in New York, obtain gold or silver for greenbacks, in sums of not less than fifty dollars. The terms of the loan are substantially set out in the following, which was posted, shortly after one o'clock on Thursday, on the bulletin boards of the sub-treasury, the parties composing the syndicate being Drexel, Morgan & Co., and J. S. Morgan & Co., of London; August Belmont & Co., and through them the Rothschilds, of London; Morton, Bliss & Co.; J. & W. Seligman, and Seligman Brothers, of London; and the First National Bank:

"'The Secretary of the Treasury and the members of the last syndicate have entered into an agreement for the sale, for resumption purposes, of $50,000,000 United States four and a half per centum 15-year bonds at par and accrued interest, and one and a half per centum premium in gold coin, $10,000,000 to be subscribed immediately, and $5,000,000 per month during the balance of the year. The sale of four per centum bonds will be continued by the treasury department as heretofore, upon the terms and conditions of the last circular, and the proceeds will be applied to the redemption of six per centum 5-20 bonds.'

"This certainly will be considered a very favorable negotiation for the government."

Among the numerous letters received at this time, I insert the following:

VIROQUA, WIS., April 14, 1878.

HON. JOHN SHERMAN, Secretary of the Treasury.

DEAR SIR:—We have an Honest Money League started in Chicago, of which you are probably aware. The secretary is the Hon. Thos. M. Nichol, who aided us so materially in carrying the state last fall. He is one of the ablest defenders of honest money that we have in the northwest. Any information you can furnish him will reach the people of the northwest. I see by the dispatches you have completed arrangements whereby you will be able to resume by January 1, 1879. I hope Congress will have the good sense not to throw any obstacles in your way. I used to, when in the army, tell the boys to trust in General Sherman and keep their powder dry, and now I feel like trusting in Secretary Sherman to keep our money honest. I have no fears of the result if Congress will let you alone.

Yours truly. J. M. RUSK.

The eastern press, almost without exception, gave its hearty approval of the contract made, and the mode and manner of the negotiation. The leading papers in New York, including the "Herald," "Tribune" and "Times," gave full accounts. In the west, however, where the greenback craze or "heresy," as it was commonly called, prevailed, the press was either indifferent or opposed to the contract and to the object sought. It is singular how strong the feeling in favor of an irredeemable paper currency was in many of the western towns and among the farming people. United States notes, universally called greenbacks, were so much better as money than the bank notes were before the war, that the people were entirely content with them, even if they were quoted at a discount in coin. They were good enough for them. Any movement tending to reduce their number was eagerly denounced.

At the very time when the negotiation was being made, the Senate finance committee was discussing the expediency of agreeing to the bill repealing the resumption act which had passed the House. The indications were that the committee had agreed upon a time when a final vote should be taken upon this bill and that it would be favorably reported by a majority of one. It depended upon the vote of Mr. Ferry, who was strongly in sympathy with the sentiment in the House. It appeared quite certain that with a favorable report the bill

L. J. RUSK. T. J. VINJE.

Rusk & Vinje,

ATTORNEYS AT LAW.

Correspondence in Scandinavian.

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Secretary of Treasury.

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in the Army, tell the boys to trust in Gen. Sherman and keep their powder dry and now I feel like trusting on Secretary Sherman to keep your money honest. I have no fears of the result if Congress will let you alone.

Yours truly,
J. M. Rusk

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would pass. If passed it would no doubt have been vetoed, but the moral effect of its passage would have been to greatly weaken all measures for resumption. I had frequent conversations with Mr. Ferry and appealed to him as strongly as I could to stand by his political friends, and for the success of the negotiation. He voted against reporting the bill. I wrote him the following letter while the matter was still pending:

WASHINGTON, D. C., May 1, 1878.

DEAR SIR:—The deep interest I feel in the pending legislation in Congress, endangering as it does my hope of success in the great object of resumption, will be my excuse for appealing to you again, in the strongest manner, against the mandatory provision that, under all circumstances, United States notes shall be receivable in payment of customs duties.

This provision may defeat the whole of the policy for which we have been struggling so long and to which our party is so firmly committed. Resumption on United States notes can be easily maintained with a reasonable reserve and with a certainty that any considerable run will be stopped by increased demand for United States notes, but there is one essential prerequisite to our ability to resume, and that is that we must have coin income enough to pay the interest of the public debt and other current coin demands. To throw upon the treasury the possibility of the necessity of buying coin to pay the interest of the public debt, in addition to buying that which is necessary to maintain resumption on United States notes, is simply to overload the wagon and break it down at the very start. Ordinarily the secretary would receive greenbacks for duties (and, therefore, I have no objection to the discretionary authority being conferred upon him), if he can use them also in payment of interest, but as we must pay the interest in coin, and the slightest difference in favor of coin making it certain that demand would be made for it for interest, we cannot undertake to buy sufficient coin to pay the interest in addition to what would naturally, under like circumstances, be required to pay such notes as are presented.

I have thought so much about this, and am so much troubled about it, that I would feel almost like giving up the ship rather than to undertake the additional task which the bill as now reported would impose upon me. Surely we are so near the end of our long struggle that we ought not to assume a fresh load, and I assure you that a mandatory provision requiring the secretary to receive United States notes in payment of customs duties, without regard to the time and circumstances, is simply a repeal of the resumption act, and it had better be done openly and directly. Because we have been so fortunate this far in the progress towards resumption is no reason why we should assume an additional burden.

Please state this to any others who you think would have any respect for my opinions, as I do not wish to thrust them upon those who would like

to thwart them; and, if overruled in this, I trust you will make this letter public, for I will not be responsible for so serious a change in the whole plan of resumption. I said to the committee on finance that if the discretion was conferred upon me to receive United States notes for duties, I had no doubt that I could do so on the 1st of October, but it was not then supposed by anyone that such a provision would be mandatory.

Very truly yours,

JOHN SHERMAN.

HON. T. W. FERRY, U. S. Senate.

While I was congratulating myself upon accomplishing an important work for the people, I had aroused an animosity more bitter and violent than any I ever encountered before or since. I was charged, directly, by a correspondent of the "National Republican," published in Washington, with corruption, and that I was interested in and would make money through the syndicate. It was said that I "came to the United States Senate several years ago a poor and perhaps an honest man. To-day he pays taxes on a computed property of over half a million, all made during his senatorial term, on a salary of $6,000 a year and perquisites." My property at home and in Washington was discussed by this letter, and the inference was drawn that in some way, by corrupt methods, I had made what I possessed. It is true that I found many ready defenders, but I took no notice of these imputations, knowing that they were entirely unfounded, for I never, directly or indirectly, derived any advantage or profit from my public life except the salary.

At one time it was alleged that a sub-committee, consisting of Messrs. Ewing, Hartzell and Crittenden, had been in correspondence with leading bankers, financiers and capitalists, and that information had been obtained which led to the conclusion that I had derived profit from the negotiation. It was said that the committee proposed to interview me upon the subject of my recent syndicate operations, that the syndicate would get about $750,000 commission, which could have been saved had outsiders been permitted to buy the bonds, that the committee had summoned members of the syndicate and bankers who were not admitted into the syndicate, but who wanted to be allowed to buy bonds without any commission, that the

allegation was so well supported that a resolution was prepared authorizing the committee to investigate, but that this was unnecessary, as the resolution authorizing the banking and currency committee to make inquiries concerning resumption conferred authority to inquire into this matter. The only sign of the alleged investigation was an inquiry from Mr. Ewing, which was answered by me as follows:

TREASURY DEPARTMENT, April 19, 1878.

HON. THOMAS EWING, Acting Chairman Committee on Banking and Currency, House of Representatives.

SIR:—In compliance with your request of the 18th instant, I inclose herewith a copy of the contract recently made with a syndicate of New York bankers for the sale of four and a half per cent. bonds. The only previous correspondence on this subject was a letter sent to said bankers and one to the presidents of certain national banks, copies of which are inclosed.

In response to your question as to the amount of accrued interest that will be allowed to the syndicate at each payment on account of such sales, I have to reply that no accrued interest is paid to them, but, as you will see by the fourth paragraph of said contract, they are to pay the United States the amount of interest accrued on the bond up to the time of payment for it, in addition to the premium of one and a half per cent. The interest on the four and a half per cent. bonds accrued on the 1st of March, and therefore, the interest is added from that date to the date of payment for the bonds.

The amount of commission to be paid is fixed by the law at one-half of one per cent., but out of this the associates are to pay all expenses incurred by them in the sale, and reimburse the United States all expenses incurred by it as stated by said contract in paragraph 5. Very respectfully,

JOHN SHERMAN, Secretary.

No further action was taken by the committee on banking and currency. Subsequently I wrote Mr. Ewing the following letter:

May 21, 1878.

DEAR SIR:—I notice the crazy barkings of Buell in the 'Post' about the syndicate, and favors granted to it by me.

I wish to say to you that nothing would please me better than to have the banking and currency committee examine into this matter, and I am quite sure you will be gratified that the result will be to my credit.

I have no desire to dignify this by asking an investigation, but only to say to you privately, as a personal friend, that I court, rather than fear, such an inquiry. Very truly yours,

JOHN SHERMAN.

HON. THOMAS EWING, House of Representatives.

It was at this time that it was alleged that Mr. Tappan, a New York bank president, said that he would pay $50,000 to stand at the head of the line when the government began to pay out gold; that he could put in $29,000,000 United States notes held by the New York banks and break the government and take out all the gold. It was said that Mr. Coe, a prominent banker in New York, was asked his opinion whether I could resume, and that he said: "Well, yes, I would let the government resume, but it must sell a certain number of bonds to the banks at such a figure." Sensational reports were sent from Washington to discredit the contract lately made with the syndicate. It was reported that the terms were concealed, that only ten millions were contracted for, part of which it might be necessary to take back, and that the banking and currency committee had summoned me to explain the contract. So far from being true the contract itself was printed in all the papers and the utmost publicity was given to every step taken.

I had a very friendly acquaintance with Peter Cooper, for whom I had the highest respect, but he had fallen into the general ideas of the greenbackers. When in New York, early in April, I called upon him and had a pleasant interview. Soon after I received from him the following letter:

New York, April 18, 1878.

Hon. John Sherman, Secretary of the Treasury.

Dear Sir: — In the brief interview which you did me the honor to give me at my house a few days ago, I was impressed with your desire to give all the information that would throw light upon the financial policy of the government, and on the department of which you are the executive head.

But we had not the time to discuss fully some of those practical questions that involve this financial policy, and I therefore now take the liberty, in a more deliberate manner, to ask of you an answer to questions, which might throw light upon the public mind on these great interests, and allay the anxiety which pervades the hearts of our people in reference to their future prospects of business and employment, and show more clearly how the present policy of the government in enforcing 'specie payments' by law and carrying out the 'resumption act,' could be attended with any *wholesome results to the financial interests* of this country both in the present and in the future.

PRESIDENT HAYES AND CABINET.

PREST. HAYES. J. SHERMAN, SECTY. OF TREAS. R. W. THOMPSON, SECTY. OF NAVY. C. DEVENS, ATTORNEY GENL. CARL SCHURZ, SECTY. OF INTERIOR. D. M. KEY, POSTMASTER GENL.

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First. Can you resume in the presence of $645,000,000 of legal tender and bank notes with what gold and silver you may have at your command, without an actual shrinkage of this currency, either on the part of the government or of the banks?

Second. Can 'resumption' be maintained after the law has placed a premium on coin, and virtually demonetized the paper, by rendering its convertibility compulsory? In other words, can the present 'par value' of paper and coin be taken as an index that after the law has thrown its whole weight in favor of coin, by making the paper 'convertible,' the present equilibrium between the two can still be maintained?

Third. In connection with the fact that by purely commercial laws, we have already arrived at specie payments, or the par between coin and paper money, what good will it do to thrust in the further power of the law on the side of coin? How can we avoid placing the paper at the mercy of those who will have control of the coin—especially the paper of the national banks, whose chief credit will consist in maintaining 'specie payments?'

Fourth. After 'resumption,' how much money will the people have with which to transact business, employ labor, enter into new enterprises, and use 'cash payments' instead of 'inflating credit' to a ruinous degree, as in times past, under the system of specie payments, and convertibility by law?

Fifth. It being the duty of Congress to make the necessary and proper laws for carrying into execution a system of money, weights and measures as the only means to regulate commerce with foreign nations and among the several states, to provide as far as possible an 'unfluctuating currency,' a steady measure of prices, how can you prevent great and disastrous fluctuations in our 'convertible money' and coin, arising out of the great demands for gold and silver that may, at any time, be made upon us from the commercial relations of this country with Europe over which the government can have no direct control? With great respect I remain,

Your obedient servant,

PETER COOPER.

I made the following reply:

DEAR SIR:—Your letter of the 18th inst. is received. The questions you ask me have been, in the main, answered to the committees of the two Houses, and I might, perhaps, best reply to your letter by sending these documents, printed by order of the respective Houses; but my sincere respect for you, and desire to allay any doubts you may entertain of the success of the present plan of resumption, induce me to answer your letter as fully as my time will allow.

As to your first question:

'Can you resume in the presence of $645,000,000 of legal tender and bank notes, with what gold and silver you may have at your command,

without an actual shrinkage of this currency, either on the part of the government or of the banks?'

You must bear in mind that the aggregate amount of legal tender notes and bank notes stated by you, may be gradually diminished, so far as the legal tenders are concerned, to $300,000,000, and by the banks to such sum as they find can be maintained at par with United States notes. But, assuming that the aggregate should be about the present amount, and remembering always that the bank notes can be redeemed in legal tender notes, and are not required to be redeemed in coin, I do express the opinion that resumption in a country like ours can be maintained in the presence of the existing volume of circulation; but if this should prove to be too great, the reduction will be gradually of the bank notes, or, if Congress so direct, of the legal tender notes.

As to your second question:

'Can resumption be maintained after the law has placed a premium on coin and virtually demonetized the paper, by rendering its *convertibility compulsory?*. In other words, can the par value of paper and coin be taken as an index that after the law has thrown its whole weight in favor of coin, by making paper convertible, the present equilibrium between the two can still be maintained?'

I respectfully deny that the law places a premium on coin. One-half of this circulation is not redeemable in coin at all, but in legal tenders; nor does the law fix a premium on coin as against legal tenders, but simply requires an equality. Its convertibility is not compulsory. It is upon the demand of the holder. The holder is as likely to deposit the coin, if he has it, as to deposit the notes for coin. The currency would rest upon the presumption that all paper money rests upon, that its use and convenience and convertibility will always keep it at par with coin.

To your third question:

'In connection with the fact that, by purely commercial laws, we have already arrived at specie payments, or the par between coin and paper money, what good will it do to thrust in the further power of the law on the side of the coin? How can we avoid placing the paper at the mercy of those who will have control of the coin—especially the paper of the national banks, whose chief credit will consist in maintaining specie payments?'

I have simply to say that we have only arrived at our present position approaching specie payments by the accumulation of coin in the treasury and by the gradual and slow reduction of the volume of notes; and the very measures which have enabled us to reach so near the specie standard, are necessary to be continued to enable us to maintain resumption. If resumption is desirable, it cannot be maintained by a repeal of the law, which requires resumption and grants the necessary powers to prepare for it and to maintain it.

As to your fourth question:

'After resumption, how much money will the people have with which to transact business, employ labor, enter into new enterprises, and use cash

payments instead of inflating credit to a ruinous degree, as in times past under the system of specie payments, and convertibility by law?'

It is answered, I think, by what I have said in reply to your first question. We will have the United States notes, the bank notes, the coin certificates, both gold and silver, together with the gold and silver itself, all in circulation. The actual amount of currency in circulation, I think, will be as large in specie times as now, and its equality and convertibility will rather increase than prevent the circulation of either. The depreciation of paper money is not necessarily caused solely by its excess, but by the uncertainty of its value and confidence in its redemption.

In reply to your fifth question:

'It being the duty of Congress to make the necessary and proper laws for carrying into execution a system of money, weights and measures, as the only means to regulate commerce with foreign nations and among the several states, to provide as far as possible an unfluctuating currency, a steady measure of prices, how can you prevent great and disastrous fluctuations in our convertible money and coin, arising out of the great demands for gold and silver that may at any time be made upon us from the commercial relations of the country with Europe, over which the government can have no direct control?'

I have only to say that it is undoubtedly the duty of Congress to provide for the possible contingencies that would make it necessary to suspend specie payments, though, as the circumstances which would compel suspension are necessarily unforeseen, unknown, difficult to be defined or to be provided for, I am not sure but it is better to leave the question of suspension to the necessities of the case rather than to legislation which must be founded upon uncertainty. When the treasury is actually unable to redeem its notes in coin, suspension comes necessarily, but resumption would come again from the absolute necessity of currency for our daily wants, and Congress could provide better in view of the actual facts than anticipated facts.

I think the real difficulty that has stood in the way of resumption is the nightmare of things that have existence only in the brain, and not in fact. We can only deal with the current course of events based upon probabilities, and cannot provide for unseen contingencies.

It is my earnest hope that you and gentlemen like you, who I know are sincere in your convictions, may see your way to trust to the policy that is now entered upon, which seeks to provide as much paper currency as can be maintained at par in coin, and to secure its active circulation in aid of industry and enterprise. I am, with great respect, JOHN SHERMAN.

On the 13th of May, 1878, the charges against me assumed a different form, by the adoption, in the House of Representatives, of a preamble and resolutions offered by Clarkson N. Potter, of New York. Among the recitals of this resolution was a

charge that James E. Anderson and D. A. Weber, supervisors of registration of the parishes of East and West Feliciana, falsely protested that the election in such precincts had not been fair and free, and that the returning board thereupon falsely and fraudulently excluded the votes of said precincts, and the choice of the people was annulled and reversed, and that such action of said Weber and Anderson was induced or encouraged by assurances from me. The charge was based upon the following letter, alleged to have been written by me:

NEW ORLEANS, November 20, 1876.

MESSRS. D. A. WEBER AND JAMES E. ANDERSON.

GENTLEMEN:—Your note of even date has just been received. Neither Mr. Hayes, myself, the gentlemen who accompany me, or the country at large, can ever forget the obligations under which you will have placed us should you stand firm in the position you have taken. From a long and intimate acquaintance with Governor Hayes, I am justified in assuming the responsibility for promises made, and will guarantee that you will be provided for as soon after the 4th of March as may be practicable, and in such manner as will enable you both to leave Louisiana, should you deem it necessary. Very truly yours, JOHN SHERMAN.

The charge was without any foundation whatever, and excited my resentment. On the 20th of May I wrote Mr. Potter the following letter:

May 20, 1878.

HON. CLARKSON N. POTTER, House of Representatives.

SIR:—I observe that the resolution of the House, under which your committee is organized, singles me out personally by name from among twenty or more gentlemen who were present, at the request of President Grant, or the chairman of the Democratic national committee, to attend and witness the action of the returning board upon the presidential election returns in the State of Louisiana in 1876, and, in substance, charges that at that election in East Feliciana parish the Republican vote was withheld and not cast, in pursuance and execution of a conspiracy by such voters, that in furtherance of such conspiracy, James E. Anderson, supervisor of registration in that parish, and D. A. Weber, supervisor of registration in West Feliciana parish, falsely protested that such election in such parishes had not been free and fair, and that, therefore, the returning board of said state falsely and fraudulently excluded votes of such precincts, and 'by means thereof, and of other false and fraudulent action of said returning board, the choice of the people of the state was annulled and reversed, and that such action by the said Weber and Anderson was induced or encouraged by the assurances of Hon. John Sherman, now Secretary of the Treasury.'

This resolution requires you to investigate these allegations, and upon the result of these depends the accusations against me.

First. That there was a conspiracy among the voters to withhold and not cast the votes, with a view to make a false charge as to the elections.

Second. That in point of fact there was a free and fair election in East and West Feliciana, which was falsely protested and returned by said Anderson and Weber, by which the votes of those parishes were falsely and fraudulently excluded by the returning board.

Third. That the offense of Anderson and Weber was encouraged by assurances from me.

With the view, therefore, to meet this accusation, which, so far as it affects me, I declare and know to be absolutely destitute of even the shadow of truth, I respectfully ask, and now make formal application, for leave to be represented before your committee in the investigations of all charges affecting me personally. I tender and offer to prove that, in point of fact, the election in East and West Feliciana parishes was governed and controlled by force, violence and intimidation so revolting as to excite the common indignation of all who became conversant with it, and proof was submitted to that effect, not only before the returning board in evidence contained in ex. doc. No. 2, second session 44th Congress, but also in the testimony taken by the committee of the Senate on privileges and elections, report No. 701, second session 44th Congress.

I will, if allowed, furnish the names of witnesses whom I desire to examine before you to prove the truth of this statement as to said parishes, and that the protests referred to were true, supported by testimony and properly acted upon and sustained by the returning board. To my personal conduct during this examination I invite your fair and candid scrutiny, with entire confidence that not only myself, but my associates of both political parties, acted honestly and properly, from a sense of public duty. I have requested Hon. Samuel Shellabarger to deliver this to you, and I respectfully designate him as the gentleman I would desire, on my part, to be present to cross-examine witnesses testifying in relation to charges against me, and who will, as my counsel, tender evidence in proof of this statement. The favor of an early answer is requested.

Very respectfully, JOHN SHERMAN.

It is not necessary to detail the history of this investigation, of which so much was said or printed at the time. It was a partisan committee organized to stir up the controversy that had been settled by the decision of the electoral commission. The committee conducted a long and expensive investigation. The result was that the pretended letter was proven to be a forgery, and that my conduct during the sittings of the returning board was shown to have been that of a spectator,

precisely like that of a score of other so-called visitors, of both political parties. The investigation proved to be a radical failure. The report was not made until March 3, 1879, the last day of the 45th Congress. No action was taken upon it.

During the investigation I specifically denied, under oath, that I had ever written or signed such a letter. There was not the slightest proof, direct or indirect, that I did so. The majority, with great unfairness, instead of frankly stating that they were deceived by a forgery, treated it as a matter in doubt. In their report they do not allege or pretend that I wrote or signed such a letter. The evidence of their own witnesses was conclusive that it was written by a Mrs. Jenks.

The report of the minority of the committee commented with severity upon the unfairness of the majority, in the following language:

"The majority seem to us to have come short of what we had a right to expect from their candor, when they fail to report explicitly whether the testimony on this subject sustains the charge that such a letter as Anderson and Weber testified to was ever written by the Hon. John Sherman. For our part, we report distinctly and emphatically that it does not, and that the palpable perjuries of both the witnesses named justify a feeling of deep disgust that they should be treated as capable of creating a serious attack upon the character of a man who has borne a high character in the most responsible service of the country for five-and-twenty years.

"The charge, if it meant anything, was that of corruptly bribing Anderson and D. A. Weber to perpetrate a fraud in the election returns of the Feliciana parishes.

"We find nothing in the testimony to show that Mr. Sherman either knew or believed that any such fraud was committed. We find abundant evidence that he believed that the protests against the fairness of the election were honestly and rightly made.

"We cannot follow the majority in their yielding to what we must believe to be a prejudice of party spirit, which has carried them even to the extent of intimating that the Secretary of the Treasury was party to the pranks of an eccentric woman who dropped a parcel of letters to set the local politicians of New Orleans agog — a woman who was before the committee a long time as a witness, but who was neither called, examined, nor cross-examined by the minority, who, however they might share the public amusement at the performance, entirely declined to take part in it.

"A considerable number of the gentlemen who visited New Orleans, either at the request of President Grant or of the national or local campaign

committee, were called, and testified as to the purpose of their visit and their procedure during it.

"Adhering to our purpose of leaving the majority to frame issues on which they were willing to proceed in investigating, we did not seek to examine into the particulars of the conduct of the Democratic visitors to Louisiana. To let the testimony show the original resolutions of inquiry to be both useless and mischievous, serving no purpose but the spread of unjust scandal, seemed to us, in view of all former inquiries in the same direction, the proper course to pursue.

"Messrs. Sherman, Garfield, Hale, Kelley, and others were examined, and their testimony was compared with that by which it was attempted to impeach their motives and their conduct. Their account of their action is consistent and frank. They believed their party had rightfully a good claim to the fruits of the election in that state. They also believed that the notorious violence and intimidation which had in former years disgraced that state had been again practiced in the campaign of 1876. They approved the action of the returning board in deciding, under the powers given them by law, to declare null the pretended elections at precincts and polls where evidence of such interference with the freedom of election had occurred. We do not find that they attempted to control the board or to dictate their action. We do not find that they attempted to dictate to witnesses or to procure false testimony to place before the board. We do not find that they were in any way more partisan or less scrupulous than the similar party of gentlemen who then represented the Democratic party. The attempt to single out Mr. Sherman for special attack seems to us to have had no original foundation but the testimony of James E. Anderson, and the terms in which the majority, in their report, have characterized that person, warrant us in declaring our opinion that when the character of that witness and his testimony were discovered, it was the duty of the majority of the committee frankly to abandon the effort to discriminate between Mr. Sherman and the other gentlemen who were associated with him."

Shortly afterwards I wrote the following letter to E. F. Noyes, then United States minister at Paris, whose name was mentioned in the resolution of investigation:

WASHINGTON, D. C., April 1, 1879.

MY DEAR SIR:—Your letter of the 18th ult. is received.

The report of the Potter committee, which you correctly pronounce to be infamous, was received in silence and was scarcely printed or noticed in the newspapers of the United States two days after its presentation to the House. It was then severely handled by the Republican press and treated with silence by the Democratic press, and now it is not mentioned. I think that neither of us should complain of any injurious result from the Potter investigation; although it was annoying, it was fair and creditable both to the

committee and many of the witnesses. But for the expense and trouble of the investigation, I am rather gratified that it occurred, for the feeling of the Democratic party, over what they supposed was a fraudulent return, would have deepened into conviction, while the investigation tended on the whole to repel this suspicion.

* * * * * * * * *

Very truly yours, JOHN SHERMAN.

HON. E. F. NOYES.

Another investigation into the conduct of the department was inaugurated by J. M. Glover, of Missouri, who, on November 6, 1877, introduced in the House of Representatives a resolution directing the several committees of the House to inquire into the conduct of the different branches of the public service coming under their charge, and the committees on expenditures in the several departments to examine into the state of the accounts and expenditures of the respective departments submitted to them. This resolution in substance was adopted January 11, 1878, and Mr. Glover was chairman of the sub-committee to examine into the conduct of the treasury department. He came to the department and every facility was given him for examination. He was allowed experts to aid him in the work, and continued the investigation for two years until the close of the Congress. His committee incurred much expense, but was unable to find that any of the public money had been wasted or lost. His report, submitted in the closing days of the Congress, was not ordered to be printed. Subsequently, on the 15th of April, 1879, after Mr. Glover had ceased to be a Member of the House, a petition from him was presented asking that his report be printed, which was referred to a committee, but they did not seem to think the report of much consequence, as they did not recommend it be printed.

The only financial bill that became a law during that session was the following, approved May 31, 1878:

AN ACT TO FORBID THE FURTHER RETIREMENT OF UNITED STATES LEGAL TENDER NOTES.

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That from and after the passage of this act it shall not be lawful for the Secretary of the Treasury, or other officer under him, to cancel or retire any more of the United States

legal tender notes. And when any of said notes may be redeemed or be received into the treasury under any law, from any source whatever, and shall belong to the United States, they shall not be retired, canceled, or destroyed, but they shall be reissued and paid out again and kept in circulation: *Provided*, That nothing herein shall prohibit the cancellation and destruction of mutilated notes and the issue of other notes of like denomination in their stead, as now provided by law.

"All acts and parts of acts in conflict herewith are hereby repealed."

I recommended the passage of this law, as I believed that the retirement of the greenbacks pending the preparation for resumption, by reducing the volume of the currency, really increased the difficulties of resumption.

The session of Congress closed on the 20th of June, 1878. During the recess the business of the department proceeded in the ordinary way, without any event to attract attention, but all that happened tended in the right direction. The crops were good, confidence became assurance, and all business was substantially based upon coin.

In consequence of the sale of four and a half per cent. bonds for resumption purposes the return of Mr. Conant to London became necessary. His numerous letters advised the department of the current of financial operations in Europe. There was some fluctuation in the relative price of United States notes and coin, chiefly caused by our demand for gold and the appearance in the market of bonds of other countries. At one period the sales of four and a half per cent. bonds became more rapid than the contract provided for, and this rapid accumulation of coin tended to advance its price, which I desired to avoid, and, therefore, strictly limited the sale of the four and a half per cent. bonds to $5,000,000 a month, thus preventing an unusual demand for coin. During this period there was a constant effort of banks and bankers, chiefly in New York, to have some exceptional privilege in the purchase of four per cent. bonds. This was in every case denied. The published offer of the sale of these bonds was repeated during each month, and the terms prescribed were enforced in every instance without favor or partiality.

On the 12th of July W. S. Groesbeck, one of the members of the monetary commission about to assemble in Europe, applied

to the department for information that would enable the American conferees to assure the conference that the United States would resume by the time fixed, and should therefore be regarded by the conference as not in a state of suspicion. I responded to his letter as follows:

TREASURY DEPARTMENT,
WASHINGTON, D. C., July 15, 1878.

WILLIAM S. GROESBECK, ESQ., Cincinnati, Ohio.

DEAR SIR:—Your letter of the 12th instant was received during my temporary absence, and I comply with your request with pleasure.

Accompanying this I send you sundry documents, duly scheduled, which contain in detail the law and my views on the resumption question.

Among these papers is a letter from the treasurer of the United States, of date July 6, showing the exact coin on hand for all purposes, a careful examination of which will prove to you our ability to resume at the time fixed by law.

It will be perceived that we have on hand in the treasury coin enough to cover all our coin liabilities of every name and nature, and also thirty-five per cent. of the aggregate amount of United States notes outstanding, with an excess of $2,474,822. We have also $7,136,529 of fractional silver coin, which will be used for current expenses.

Of the United States notes outstanding, at least sixty millions are held in the treasury, either as the property of the United States or as special funds for purposes prescribed by law, which cannot readily be diminished.

In addition, the secretary is authorized to sell bonds for the purchase of coin or bullion, and he may use United States notes for the same purpose. Our revenue, both in coin and currency, is more than sufficient to pay all current expenses covered by the appropriations of Congress.

Considering that the United States notes are scattered over a vast country, are in great favor and demand, and extremely popular, I feel entire confidence in the ability of the treasury to resume on the 1st of January next, and the leading bankers and brokers of New York are of the same opinion.

I know of nothing that can prevent the United States from taking its place among the specie-paying nations at that time, except the possible repeal by Congress of the resumption act, and this I do not anticipate.

Very respectfully, JOHN SHERMAN, Secretary.

CHAPTER XXXIV.

A Short Respite from Official Duties.

Visit to Mansfield and Other Points of Ohio — Difficulty of Making a Speech at Toledo — An Attempt to Break Up a Meeting That Did Not Succeed — Various Reports of the Gathering — Good Work of the Cincinnati "Enquirer" — Toledo People Wanted "More Money" — Remarks Addressed to the Cincinnati Chamber of Commerce — Visit to Lancaster, the Place of My Birth — My Return to Washington — I Begin to Exchange Silver Dollars for United States Notes — My Authority to Do So Before January 1 Questioned — The Order Is Withdrawn and Some Criticism Follows — Instructions to the United States Treasurer and Others — Arrangements with New York Clearing House.

IN the latter part of August, 1878, I made a visit to Ohio, first going to Mansfield where I was cordially received. In the evening I was serenaded, and after the band had played several times I went to the steps of the hotel and made a few impromptu remarks, reported as follows by the local paper:

"Fellow Citizens:—I thank you heartily for the courtesy of this serenade, and especially the members of the band who have favored us with their excellent music. I will be here with you but for a few days, and welcome with joy the sight of home, and the familiar faces and scenes around me. I do not desire to say anything of politics, or of matters upon which we do not agree, but prefer to meet you all as old acquaintances and townsmen, having common interests and sympathies as to many things as to which we do agree. And I especially congratulate you upon the bountiful harvests, fruitful orchards and reviving prosperity with which you are blessed. I will be glad to shake hands with any of you and to talk with you free from all artificial restraints."

I went from Mansfield to Toledo, where I had agreed with the state central committee to make a speech, and where the opposition to resumption was stronger than in any other city in the state. Here the so-called National party had its origin. I knew a great many of the citizens of Toledo and the prevailing feeling on financial topics. I, therefore, carefully prepared

a speech, covering all the leading questions involved in the campaign, especially all that related to our currency. The meeting was held August 26, in a large opera house, which would seat 2,500 people. I found it full to overflowing. Every particle of space in the aisles was occupied and it was estimated that 3,000 people were gathered within its walls. I will give the narrative of a correspondent of the St. Paul "Pioneer Press," who was an eyewitness of the scenes that followed:

"Secretary Sherman was not received with that hearty greeting common to a man of such prominence at first, while the organization that had been picketed in different parts of the hall at once commenced hissing at the first sight of the tall, slender form of the speaker. Until his introduction the emotion was the same, and as soon as he commenced to speak he was interrupted with jeers and insults from what Nasby, in his paper, called the 'hoodlums of the city,' who came organized and determined to break up the meeting without giving the speaker a chance to be heard, by shouting at the top of their voices such insults as 'You are responsible for all the failures in the country;' 'You work to the interest of the capitalist;' 'Capitalists own you, John Sherman, and you rob the poor widows and orphans to make them rich;' 'How about stealing a President;' 'Why don't you redeem the trade dollar?'

"These, with many other like flaunting sneers, were constantly indulged in by the disorderly element, which had been distributed with care throughout the hall. So boisterous and moblike was their behavior that it was apparent several times that it would be impossible to maintain order, and notwithstanding the speaker stated that if any gentlemen wished to ask any question, upon any point that he might discuss, in their order, he would be glad to answer them, and invited criticisms, but one such question was asked by Mr. F. J. Scott, one of the leading lights of the Nationals, who wished to know the difference between 'fiat' money and greenbacks; the speaker replied: 'Fiat money is redeemable nowhere, payable nowhere, for no amount without security, at no time, and without a fixed value; while greenbacks are redeemable in specie at par, at a fixed time, and secured by the pledge of the government.'

"By this ready, pointed, and satisfactory answer the speaker turned the tide, and the applause was hearty in his favor. When answering Judge Thurman the speaker alluded to the charge made by him that the 'Republican party was the enemy of the country.' Then, after calling attention to the war record of the Democratic party, the speaker said: 'Who is the enemy of the country?' [A voice from a 'hoodlum,' 'John Sherman.'] 'Why,' says the speaker; 'because he has brought greenbacks up to par value, and is in favor of honest money?' This was another cause for an outburst of applause and of approval to the speaker,

although it was very doubtful, in the beginning of his speech, whether he could carry enough of the vast audience, with the large disturbing element opposing intermingled among them, with him. But long before the closing of his discourse it became apparent that John Sherman is able to defend his position, even in the camp of the enemy, while the ungentlemanly acts of the disorganizing element were disgusting to the better element of their party. It also effectually revived the lukewarm Republicans in this community, and it may be well said that John Sherman did what no other man could have done, that is, to go to a place like Toledo, stand before an organized party which was determined to prevent his speaking, while his own party was lukewarm toward him—it was frequently asserted here 'John Sherman had not a single friend in the city'—and during his speech of two hours turn the popular tide in his favor, as was evident he did from the hearty applause he received as he proceeded in his remarks; and it is safe to say that no man in these United States could have done the Republican cause, in this place, the good that Secretary Sherman did by his speech, and the 'Toledo National hoodlums,' in their efforts to break up the meeting, 'gave the old man a reception,' as was remarked on the streets; but throughout his speech he kept his temper, kept cool and considerate, made remarks of cheer by saying, 'This is only a love feast,' and 'We will feel better natured after a while, as we become better acquainted,' etc., etc."

The narrative given by the correspondent is perhaps a little exaggerated, but the general outlines are correct, as I very distinctly remember. The result was that my carefully prepared speech was knocked into "pi," and I had to depend upon the resources of the moment to make a speech suitable to the occasion and the crowd. The Cincinnati "Enquirer," to which, as to other papers, a copy of the prepared address had been sent, had two stenographers in Toledo to report the speech as made and telegraph it to the paper. They did so and the speech as reported and published in the "Enquirer" was so much more sensational and better than the prepared speech that it was selected by the Republican state committee for publication as a campaign document. This enterprise of an unfriendly newspaper resulted to my advantage rather than my detriment, for on account of the interruptions the speech reported was much more readable than the other.

No doubt the feeling in Toledo grew out of the long depression that followed the panic of 1873, that for a time arrested the growth and progress of that thriving and prosperous city. The people wanted more money, and I was doing all I could,

not only to increase the volume of money by adding coin to our circulation, but to give it value and stability. I have spoken in Toledo nearly every year since, and have always been treated with courtesy and kindness, and many of my best friends now in Toledo are among those who joined in interrupting me, and especially their leader, Mr. Scott.

From Toledo I went to Cincinnati. I have been for many years an honorary member of the Chamber of Commerce of Cincinnati, a body of business men as intelligent and enterprising as can be found anywhere. It has been my habit to meet them once a year and to make a short speech. This I did on August 28. The "Gazette" reported my visit as follows:

"Secretary Sherman was on 'change yesterday, and, at the close of the business hour, he was introduced by President Hartwell, and was greeted with applause, after which he spoke as follows:

"GENTLEMEN:—It gives me pleasure to meet so many of the active business men of Cincinnati, even for a brief period. In the office which I hold I have a great deal to do with merchants, like these engaged in the exchange of the products of our industries, and I congratulate you, first of all, that this fall, by the bounty of Divine Providence, you will have to market the largest crop we have ever gathered in this country since the world was born.

"In every part of our country, with but few exceptions, and only as to certain crops, are crops greater than ever before, and you will have to buy and sell them.

"The only point of an unpleasant nature, that occurs to me, affecting the industrial interests which you so largely represent, is the misfortune which has befallen large portions of the south, where yellow fever, one of the worst enemies of human life, now has spread a pall of distress among our southern brethren. I am glad, fellow-citizens, that you are doing something to contribute to the relief of their sufferings, because business men, above all others, are to be humane and generous to those who are in distress.

"That this will, to some extent, affect the business of gathering cotton, I have no doubt will occur to you all, but you can only hope that it will be but a brief season until the frost will dissipate the distress of the south and the cotton crop may be safely gathered.

"There is another thing I can congratulate you upon as business men, that is – our currency is soon to be based upon the solid money of the world. I do not want to talk politics to you, and I do not intend to do so, but I suppose it is the common desire of all men engaged in business to have a stable, certain standard of value, and although you and I may differ as to the best means of obtaining it, and as to whether the means that have been adopted have been the proper means, yet I believe the merchants of Cincinnati desire that their money shall be as good as the money of any country with which we trade. And that, I think, will soon be accomplished.

"Now, gentlemen, I do not know that there is any other topic on which you desire to hear from me. I take a hopeful view of our business affairs. I think all the signs of the times are hopeful. I think it a hopeful fact that, after this week, there will be an end of bankruptcies, that all men who believe that they are not in a condition to pay their debts will have taken the benefit of the law provided for their relief, and, after Saturday next, we will all stand upon a better basis—on the basis of our property and our deserved credit.

"It has been the habit, you know, of one of your able and influential journals to charge me with all the bankruptcies of the country. If a grocer could not sell goods enough to pay expenses, and a saloon keeper could not sell beer enough to get rich, and took the short way of paying his debts, this paper would announce the fact that he had 'Shermanized.' [Laughter.] And if a bank was robbed, or the cashier gobbled the money in the safe and left for parts unknown, this able editor announced that the bank had 'Shermanized.' And thus this paper contributed largely to the very result it denounced. You understand how this thing works.

"But we have passed through this severe crisis. It has been common in all countries and all states that carry on extensive commercial transactions with each other. I believe that we are through with this one; a ray of hope has dawned on us, and we are certainly entering upon a career of prosperity. Every sign of business is hopeful. We have paid off immense amounts of our debts. We do not owe Europe anything of consequence. We have gone through the debt paying process. A few years ago we were running in debt at the rate of $100,000,000 a year, but lately we have been paying off our debt at the rate of $100,000,000 a year. From this time on we will be more prosperous. Take heart, you men of Cincinnati; you men who represent the great interests in this great city; you who live in the heart of the great west, take heart in the transaction of your business, because I believe you have reached a solid basis upon which to conduct your business profitably, the basis of solid coin."

From Cincinnati I went to Lancaster, the place of my birth, and where my eldest sister, Mrs. Reese, resides. I need not say that the visit was a pleasant one, for it was necessarily so. A great many among those whom I saw had been my associates in boyhood, and, as a matter of course, the topics of conversation were mainly of the past. A dispatch to the Cincinnati "Gazette" of the date of August 30, briefly describes my visit and gives the substance of a few remarks I was called upon to make by an impromptu gathering in the evening at the residence of my sister:

"The Lancaster band serenaded Secretary John Sherman this evening, at the residence of his sister, Mrs. General Reese. A very large crowd assembled on the occasion, and, in response, Senator Sherman made one of the neatest, pleasantest, and most satisfactory little talks heard here for many a

day. Of course he began by touching upon his early boyhood, and some of the incidents of the same spent here in old Lancaster, the place of his nativity; told of his incipient struggles in life with the rod and chain on an engineer corps in the Muskingum valley; how he was ushered into the sterner vicissitudes of life, and how he drifted into politics; and then, without using the occasion for party purposes, without making a political speech, he explained in well selected language his position as an officer of the government; what was the course prescribed for him to do, how he was doing it, and concluding with a most clear and intelligible exegesis of the resumption act; what it was, its intent, purpose, and meaning; and with such convincing nicety and clearness, and evident satisfactoriness, was his explanation given, that he was frequently interrupted by spontaneous applause from the crowd. He told how the credit of the country was advancing as we near the solid foundation of hard money; how the American people were the most favored, the greatest blest, the freest and most prosperous people on the earth; how the signs of the times in busy shops and abounding fields told of the disappearing hard times, and the dawning of an era of greater peace and prosperity."

I returned to Washington, and at once proceeded to arrange with the treasurer and assistant treasurers of the United States to make the change from currency to coin easy. I conferred with General Hillhouse, assistant treasurer at New York, upon the subject and had his opinions verbally and in writing. I conferred freely with James Gilfillan, treasurer of the United States, and, as a result of these conferences, on the 3rd of September, I directed the treasurer of the United States, upon the receipt by him, from any person, of a certificate, issued by any assistant treasurer, designated depositary, or national bank designated as a public depositary of the United States, stating that a deposit of currency had been made to his credit in general account of the sum of one thousand dollars, or any multiple thereof, not exceeding ten thousand dollars, to cause a shipment to be made, from some mint of the United States to the person in whose name the certificate was issued, of a like amount of standard silver dollars, the expense of transportation to be paid by the mint.

The sole purpose of this order was to facilitate the circulation of standard silver dollars for all purposes as currency, but not to issue them so as to be used directly in making those payments to the government which were required to be made in

coin. I wished to avoid their deposit for silver certificates. Officers receiving deposits of currency were expected, as far as practicable, to see that the silver dollars were put in circulation. Shipments, however, were to be made only to points in the United States reached through established express lines by continuous railway or steamboat communication.

I regarded this as practically the resumption of specie payments in silver dollars, but the chief object aimed at was to secure a general distribution of these dollars throughout the United States, to the extent of the demand for them, without forcing them into circulation.

General Hillhouse recommended the payment of silver for all purposes, not only for circulation, but for the payment of bonds and customs duties. This I fully considered, but thought it best for the present to get into ordinary circulation among the people, in points remote from ports of entry, as much silver coin as practicable, before offering it freely in cities where it would be immediately used for customs duties. I said: "If, within a month or so, we are able to reduce our stock of silver to five or six millions, I should not hesitate a moment to offer it then freely in New York and elsewhere, and run the risk of doing without gold revenue for awhile."

On September 7 I issued the following order:

TREASURY DEPARTMENT, September 7, 1878.

HON. JAMES GILFILLAN, Treasurer of the United States.

SIR:—On and after the 16th day of this month you are authorized, at the treasury in Washington, and at the several sub-treasuries in the United States, to exchange standard silver dollars for United States notes.

Very respectfully,

JOHN SHERMAN, Secretary.

The question was raised in the public prints, and in the department, whether I had legal authority, under the existing laws, to pay silver dollars in exchange for United States notes before the 1st of January. It was plausibly urged that the payment of this coin in advance of the time fixed for resumption was the exercise of authority not authorized by law. I, therefore, on the 13th of September, three days before the previous order

would take effect, directed the treasurer of the United States as follows:

TREASURY DEPARTMENT, September 13, 1878.

HON. JAMES GILFILLAN, Treasurer United States.

SIR:—Some question has been made whether the issue of silver dollars, in exchange for United States notes, before January 1, next, is in entire accordance with the legislation of Congress bearing on the subject, and, therefore, you will please postpone the execution of department order of the 3rd instant until further instructions, and withhold from transmission to assistant treasurers the order of the 7th.

Silver dollars will be issued as heretofore, in the purchase of silver bullion, in payment of coin liabilities, and in the mode pointed out in your order of July 19, as modified.

With a view to their payment on current liabilities, you will request that each disbursing officer estimate the amount he can conveniently disburse.

Very respectfully,

JOHN SHERMAN, Secretary.

This change of my opinion was the subject of much criticism in the public prints. Some complained that I was unfriendly to the silver dollar and sought to prevent its use, and others complained that its use before the 1st of January as a substitute for gold coin was a violation of law. My only purpose was to accustom the people to the use of the silver dollar in the interior of the country at places where it could not be used in the payment of customs duties. These could only be paid in coin, and, in view of resumption, I desired to strengthen the treasury as much as possible by the receipt of gold coin. The charge that I was guilty of changing my mind did not disturb me when I was convinced that I had exceeded my authority in the issue of the first order.

At that time there was an evident reluctance to pay coin into the treasury for four per cent. bonds sold, when, within a brief period, United States notes could be paid for such bonds. I therefore directed the treasurer of the United States: "Where deposits with national banks on account of subscriptions to the four per cent. loan have not been paid into the treasury within ninety days after the deposit was made, you will at once draw for the amount of such deposits, to be forthwith paid into the treasury, and as such deposits accrue under this rule, you will make such withdrawals until the whole is paid."

Oct 17. 1878

578 FIFTH AVENUE.

Hon John Sherman

Dear Sir:

Refering to recent newspaper statements that I have been intented in movements either to tighten money or create a scarcity of gold & thus interfere with natural & easy resumption I beg to say that they are without the slightest foundation on the contrary I feel a very deep interest in your efforts so far Evenly successful in carrying the country to a successful resumption - If resumption is made a real success it will be accompanied with substantial business prosperity & do more to strengthen & retain the ascendency of the Republican party than any & all other reasons

The real causes of the recent disturbances in the money market are the following 1st. Govt Bonds have come back from Europe faster than investment order would absorb them - the surplus are carried on call loans & have absorbed several millions of dollars

2nd. The financial troubles in

England are retarding the rapid movement of wheat produced - the Elevators at Chicago & Milwaukee are full of grain - at Chicago alone about 7.000.000 bushels - the currency cant work to pay for this grain will not be released until the grain is marketed

3rd A large amount of foreign Capital usually lent on Call in Wall St has been withdrawn to London & Liverpool as money Commands (or has until recently) better rates of interest than in New York

Remain

Yours truly

Jay Gould

I also directed the chief of the loan division as follows:

"No doubt most of the depositaries will place coin to their credit within the period of the call outstanding after subscriptions are made, according to the circular of the 1st ultimo, but if this is not done, the deposit must be withdrawn at the expiration of ninety days from the date of subscription."

I also advised August Belmont & Co., that the department expected that by the 1st of October the remainder of the coin then due upon the four and a half per cent. bonds, both from the American sales and those made in London, would be paid into the treasury; that it was deemed best that this should be done, so that the account of this loan might be closed as soon thereafter as the books could be made up. This request was promptly complied with.

Early in October there were many rumors in circulation charging that prominent capitalists and speculators were combining to defeat resumption. Among them Jay Gould was mentioned as being actively engaged in "bearing" the market. About this period I received from him the following letter:

578 Fifth Avenue, Oct. 17, 1878.

HON. JOHN SHERMAN.

DEAR SIR:—Referring to recent newspaper statements that I have been interested in movements either to tighten money or create a scarcity of gold and thus interfere with natural and early resumption, I beg to say that they are without the slightest foundation. On the contrary I feel a very deep interest in your efforts, so far eminently successful in carrying the country to a successful resumption.

If resumption is made a real success it will be accompanied with substantial business prosperity and do more to strengthen and retain the ascendency of the Republican party than any and all other reasons.

The real causes of the recent disturbances in the money market are the following:

First. Government bonds have come back from Europe faster than investment orders would absorb them—the surplus are carried on call loans and have absorbed several millions of dollars.

Second. The financial troubles in England are retarding the rapid movement of western produce. The elevators at Chicago and Milwaukee are full of grain; at Chicago alone about 7,000,000 bushels. The currency sent west to pay for this grain will not be released until the grain is marketed.

Third. A large amount of foreign capital usually lent on call in Wall street has been transferred to London and Liverpool as money commands (or has until recently) better rates there than in New York.

I remain, yours very truly, JAY GOULD.

The purchase of four per cent. bonds sensibly increased in October. As the six per cent. bonds could not be paid within ninety days after the call, the purchasers of the four per cent. bonds claimed the right to pay for such bonds in United States notes, which on the 1st of January would be redeemable in coin. To this I replied that as the sale of four per cent. bonds was solely for the purpose of refunding the six per cent. bonds, the proceeds of the sale must be such as could be lawfully paid for called bonds. "Under existing law the treasury is required to and will redeem in coin, on and after January 1, 1879, United States legal tender notes, on presentation at the sub-treasury in New York, and will then receive such notes in payment for four per cent. bonds. The department does not anticipate any change in the law that would operate to prevent this, but cannot stipulate against any act which Congress in its judgment may pass."

Every facility which the law allowed to promote the easy change in the basis of our currency was carefully considered and adopted. The chief measure adopted was to promote exchanges in the clearing house in New York, so that only the balance of debits or credits would actually be paid. I requested Assistant Secretary French to examine whether, under existing law, such an arrangement was in the power of the department, and called his attention to previous correspondence in 1875 in the department on this subject. He came to the conclusion that the existing law would not justify such an arrangement. John Jay Knox, comptroller of the currency, however, favored the admission of the assistant treasurer of the United States at New York as a member of the clearing house. He said:

"The proposition is favored by the banks generally, and it is believed that the representation of the treasury department in the clearing house will facilitate the transaction of business between the department and the banks, and I therefore respectfully suggest that application be made for the admission of the assistant treasurer in New York to the Clearing House Association, provided it shall be found that there is no legal objection thereto."

General Hillhouse also was strongly in favor of the plan proposed. He said:

"The plan of going into the clearing house was proposed in correspondence with the department several years ago, as a remedy for the risk incurred

in the collection of checks, and if there are no legal impediments in the way, it would very much simplify the business of the office if it could be adopted. The effect in connection with resumption would also, I think, be good, as it would place the banks and the treasury on the same footing with respect to the use of United States notes in settlements, and thus aid in maintaining them at par with gold in all the vast transactions connected with our internal trade and commerce. I have not given the question sufficient thought to speak with confidence, but it seems to me it is a very important one, and well worthy of careful consideration."

A committee of the clearing house called upon me and the subject was thoroughly considered. Mr. Gilfillan wrote to General Hillhouse as follows:

TREASURY OF THE UNITED STATES,
WASHINGTON, November 9, 1878.

SIR:—By direction of the secretary, I have the honor to request that you will submit to the Clearing House Association of the banks of your city the following propositions, and, upon obtaining the assent of the association to them and communicating that fact to the department, you are expected to act in conformity with them.

First. Hereafter, drafts drawn upon any bank represented in the Clearing House Association in the city of New York, received by the assistant treasurer in that city, may be presented to such bank at the clearing house for payment.

Second. Hereafter, drafts drawn on the assistant treasurer at New York may be adjusted by him at the clearing house, and the balances due from the United States may be paid at his office in United States notes or clearing house certificates.

Third. After the 1st of January next, payment of checks presented to the assistant treasurer by any bank connected with the clearing house may be made by him in United States notes. Very respectfully,

JAMES GILFILLAN, Treasurer United States.

HON. THOMAS HILLHOUSE, Assistant Treasurer United States, New York.

General Hillhouse, on the 12th of November, advised me of the receipt of this letter, and that the propositions of the treasurer were referred to the Clearing House Association, that a meeting would be held and there was little doubt but that they would be accepted.

On the same day the Clearing House Association, fifty out of fifty-eight banks, members of the association, being present, unanimously adopted the following resolutions:

"*Resolved*, That in order to facilitate the payment of drafts and checks, between the treasurer of the United States and the associated banks, the manager of the New York clearing house is authorized to make such an

arrangement with the assistant treasurer as will accomplish that purpose through the medium of the clearing house.

"*Resolved*, That the reported interview between the members of the clearing house committee and the Secretary of the Treasury, with the views expressed by them to him in the paper presented to this meeting upon the subject of the restoration of specie payments, meets the cordial approbation of this association, and that the practical measures recommended for the adoption of the banks in respect to their treatment of coin in their business with the public, and with each other, be accepted and carried into practical operation; and, in pursuance thereof, it is hereby further

"*Resolved*, That the associated banks of this city, after the 1st of January, 1879, will, first, decline receiving gold coins as 'special deposits,' but accept and treat them as lawful money; second, abolish special exchanges of gold checks at the clearing house; third, pay and receive balances between banks at the clearing house, either in gold or United States legal tender notes; fourth, receive silver dollars upon deposit only, under special contract to withdraw the same in kind; fifth, prohibit payments of balances at the clearing house in silver certificates, or in silver dollars, excepting as subsidiary coin, in small sums (say under $10); sixth, discontinue gold special accounts, by notice to dealers, on 1st of January next, to terminate them.

"*Resolved*, That the manager of the clearing house be requested to send copies of the proceedings of this meeting to clearing houses in other cities, with an expression of the hope that they will unite in similar measures for promoting the resumption of coin payments."

I accepted in the following note:

TREASURY DEPARTMENT,
WASHINGTON, D. C., November 13, 1878.

GEORGE S. COE, President American Exchange National Bank, New York.

SIR:—Your letter of yesterday, advising me of the adoption by the Clearing House Association of the result of our recent interview, is received with much pleasure.

The end we all aim at, a specie standard and a redeemable currency, is greatly promoted by the judicious action of the banks, and I will, with greater confidence, do my part officially in securing the maintenance of resumption.

JOHN SHERMAN, Secretary.

This arrangement, entered into with care, proved to be a measure of very great advantage to the government as well as to all business men engaged in the great commercial operations of New York. The necessary details to carry this agreement into effect were arranged between General Hillhouse, for the United States, and W. A. Camp, manager of the New York clearing house.

CHAPTER XXXV.

Investigation of the New York Customhouse.

A General Examination of Several Ports Ordered — No Difficulty Except at New York — First Report of the Commission — President Hayes' Recommendations — Letter of Instructions to Collector C. A. Arthur — Second Report of the Commission — Losses to the Government by Reason of Inefficiency of Employes — Various Measures of Reform Recommended — Four Other Reports Made — The President Decides on the Removal of Arthur, Cornell and Sharpe — Two Letters to R. C. McCormick on the Subject — Arthur et al. Refuse to Resign — The Senate Twice Refuses to Confirm the Men Appointed by the President to Succeed Them — Conkling's Contest Against Civil Service Reform — My Letter to Senator Allison — Final Victory of the President.

AT the beginning of the administration of President Hayes, and for months previous, there had been complaints as to the conduct of business in the principal customhouses of the United States. This was especially called to my attention, and at my suggestion the President directed an examination into the conduct of the customhouses at New York, Philadelphia, New Orleans, San Francisco and perhaps other ports. Examinations were made by intelligent business men selected in the various ports, and full reports were made by them, and printed as public documents. Many changes were made, and reforms adopted, founded upon these reports, and there was no difficulty except only at the port of New York, where more than two-thirds of all the customs revenue was collected. Chester A. Arthur was then collector of the port, A. B. Cornell was naval officer, and George H. Sharpe was appraiser.

On the 23rd of April, 1877, I designated John Jay, Lawrence Turnure, of New York, and J. H. Robinson, Assistant Solicitor of the Treasury, as a commission on the New York customhouse. They were requested to make a thorough examination into the conduct of business in that customhouse. Full instructions

were given and many specifications were made in detail of all the points embraced in their examination.

On the 24th of May they made their first report, preferring to treat the general subject-matter separately. This report related chiefly to appointments upon political influence without due regard to efficiency. I promptly referred it to the President and received the following letter:

EXECUTIVE MANSION,
WASHINGTON, May 26, 1877.

MY DEAR SIR:—I have read the partial report of the commission appointed to examine the New York customhouse. I concur with the commission in their recommendations. It is my wish that the collection of the revenues should be free from partisan control, and organized on a strictly business basis, with the same guarantees for efficiency and fidelity in the selection of the chief and subordinate officers that would be required by a prudent merchant. Party leaders should have no more influence in appointments than other equally respectable citizens. No assessments for political purposes, on officers or subordinates, should be allowed. No useless officer or employe should be retained. No officer should be required or permitted to take part in the management of political organizations, caucuses, conventions, or election campaigns. Their right to vote and to express their views on public questions, either orally or through the press, is not denied, provided it does not interfere with the discharge of their official duties.

Respectfully, R. B. HAYES.

HON. JOHN SHERMAN, etc.

My answer to the commission was as follows:

TREASURY DEPARTMENT, May 26, 1877.

GENTLEMEN:—Your first report on the customhouse in New York, of date the 24th instant, has been received, and the reduction proposed by you of twenty per cent. of the number of persons employed therein is approved.

So far as these offices are created by law, vacancies will be made and left for the action of Congress. The reduction of the other employes, the number of whom and whose compensation are not fixed by law, will be made as soon as practicable.

I am much gratified that the collector, the naval officer, and the surveyor of the port, concur with you in the proposed reduction.

The hours of employment after the 31st of this month, will be from 9 o'clock a. m. till 4 o'clock p. m., excepting where a longer time is prescribed by law. This corresponds to the hours of clerical service in this department. This rule will be strictly enforced, and absence will be the cause of reduction of pay or removal. Strict attention to duty will be required, and other business will not be allowed to interfere with the full discharge of the duty attached to the office.

I notice that you do not suggest a mode of carrying into effect the reduction of the force recommended, and I cannot, with due regard to the remaining subjects of your inquiry, ask you to extend your investigation into the *personnel* of each employe, his character, efficiency, and merits. This must be mainly left to the collector, who, by law, is authorized to employ, with the approval of the Secretary of the Treasury, proper persons as deputy collectors, weighers, gaugers, and measurers, in the several ports within his district. Thus, nearly all the officers of the customhouse are appointed by the collector, and, with the approval of the Secretary of the Treasury, may be removed at pleasure. He will be promptly called upon, under special orders, to perform this delicate and onerous duty. It is very important that it should be executed with due regard to the efficiency and merit of the employes, and so as best to promote the public service.

In order that a rule might be furnished him, I called upon the President for instructions to govern alike the collector and myself in the execution of this duty. A copy of his answer is hereto annexed. You will see from it that he approves your recommendations, and that he wishes the customhouse conducted free from partisan control, on a strictly business basis, with the same guarantees for efficiency and fidelity in the selection of the chief and subordinate officers that would be required by a prudent merchant; that the public business should not be affected injuriously by the interests or influence of party leaders or party struggles; and that, while an officer should freely exercise his political rights as a citizen, he should not use his power as an officer to influence the conduct of others.

I believe the opinions expressed by the President will meet with your hearty approval, and they are in harmony with your report.

Permit me to add the thanks of this department for your care, ability and industry in conducting this inquiry.

Very respectfully,

JOHN SHERMAN, Secretary.

MESSRS. JOHN JAY, L. TURNURE, and J. H. ROBINSON,
Commission on Custom House, New York.

I inclosed a copy of the report of the commission to Collector Arthur, with the following letter of instructions:

TREASURY DEPARTMENT, May 28, 1877.

SIR:—Inclosed I send you a copy of the first report of the commission on the New York customhouse, recommending a large reduction of the employes in the various offices in your collection district, and the approval and adoption of that report.

It only remains now to execute this order, upon the principles and in the spirit stated by the President. This task, always an unpleasant one, when it requires the removal of employes, falls mainly upon you, subject to my approval. It may not be amiss now for me to state, in advance, somewhat more in detail, my views as to the mode of reduction. The extent of the

reduction is fully stated in the report, and we are thus relieved from that portion of the task.

I notice by the report that you have an exceptionally large proportion of experienced officers still in the service. You will have no difficulty in selecting, from these, the more efficient and trustworthy to fill the most important positions, and when these are carefully selected, you will have secured for the duties of greatest trust, active, efficient, and experienced officers. It must happen that among those longest in service some are disabled by age and infirmity. It is often the most painful, but necessary, duty, to dismiss these, or reduce them to positions which they are still able to fill. The government is fairly entitled to the services of those who are fully able to discharge personally the duties of their office, and who are willing to give their entire attention to their official duty. If they cannot, or do not, do this, it is no injustice to remove them.

In the selection of inferior officers, the only rule should be the one daily acted upon by merchants — to employ only those who are competent for the special work assigned them, whose industry, integrity, and good habits give guarantees for faithful services, honestly rendered. This reduction will enable you to transfer those now employed on work for which they are not fitted, to other work for which they are competent, and to reward exceptional merit and ability by promotion.

It is impossible, in a force so large as yours, that you should know the peculiar qualities and merits of each employe, and it is important, in making selections, that you secure this information through committees of trusted officers, and in proper cases to test the intelligence, ability, and qualifications of an officer or applicant for office by written questions or an oral examination. In many cases the partiality and influence of relations secure several persons of the same family in office, thus causing complaints and favoritism. As a rule, it is best in all cases to have but one of the same family under your jurisdiction, and no just complaint can be made if this rule is impartially enforced.

The President properly lays great stress on excluding from a purely business office active participation in party politics. Naturally, in a government like ours, other things being equal, those will be preferred who sympathize with the party in power; but persons in office ought not to be expected to serve their party to the neglect of official duty, or to promote the interests of particular candidates, or to interfere with the free course of popular opinion, or to run caucuses or conventions. Such activity of office-holders is offensive to the great mass of the people who hold no office, and gives rise to complaints and irritation. If any have been appointed for purely political reasons, without regard to their efficiency, now is a good time to get rid of them.

Where actual misconduct is proven, such as receiving gratuities or bribes, or oppression or insolence in office, or even the want of common courtesy, or drunkenness or other bad habits tending to degrade the officer,

or absence from or neglect of duty— in all such cases I know it will be your pleasure to dismiss the employe.

The payment of taxes is not pleasant at best, but if rudely enforced by oppression or discreditable officers, it renders the tax as well as the tax-collector odious.

I do not fix any time within which this reduction must be made, but shall expect it to be completed by the 30th day of June proximo. So far as the reduction is specifically made by the adoption of the report, it should be made by the 1st day of June, and it should be made as to each particular division or department of the customhouse as early as practicable.

After all, the success of this movement for reform of old abuses, which existed for many years before you became collector, will depend mainly upon your good sense and discretion. I assure you I will heartily sustain and approve any recommendation you may make that appears to me to tend to make the New York customhouse—not only what it now is, the most important, but what it ought to be—the best managed business agency of the government. Very respectfully, JOHN SHERMAN, Secretary.

C. A. ARTHUR, Esq., Collector of Customs, New York.

When this inquiry commenced there was no purpose or desire on the part of the President or anyone to make a change in the officers of the New York customhouse. This is apparent from my letter to Collector Arthur. The commission proceeded with their examination, and on the 2nd of July made their second report. This contained specific charges, but of a general character, against persons employed in the customhouse. They found that for many years past, the view had obtained with some political leaders that the friends of the administration in power had a right to control the customs appointments; and this view, which seemed to have been acquiesced in by successive administrations, had of late been recognized to what the commission deemed an undue extent by the chief officers of the service. These gentlemen, on the ground that they were compelled to surrender to personal and partisan dictation, appeared to have assumed that they were relieved, in part at least, from the responsibilities that belonged to the appointing power.

The collector of the port, in speaking of the "ten thousand applications," and remarking that the urgency for appointments came from men all over the country, added, "the persons for whom it is made bear their proportion of the responsibility for the character of the whole force."

The surveyor had said:

"I had, within the last two weeks, a letter, from a gentleman holding a high official position, in regard to the appointment of an officer whom he knows has been dropped three times from the service for cause. He has also been to see me about him, and the last time he came he admitted to me that he had been engaged in defrauding the revenue; and yet he writes me calling my attention to the case, and requesting his appointment."

The collector, in his testimony before the commission, said that "the larger number of complaints probably come from the surveyor of the port," and, on being asked their character, said:

"Some are for inefficiency, some are for neglect of duty, some for inebriety, and some for improper conduct in various ways; some for want of integrity, and some for accepting bribes."

The commission further stated:

"The investigation showed that ignorance and incapacity on the part of the employes were not confined to the surveyor's department, but were found in other branches of the service—creating delays and mistakes, imperiling the safety of the revenue and the interests of importers, and bringing the service into reproach. It was intimated by chiefs of departments that men were sent to them without brains enough to do the work, and that some of those appointed to perform the delicate duties of the appraiser's office, requiring the special qualities of an expert, were better fitted to hoe and to plow. Some employes were incapacitated by age, some by ignorance, some by carelessness and indifference; and parties thus unfitted have been appointed, not to perform routine duties distinctly marked, but to exercise a discretion in questions demanding intelligence and integrity, and involving a large amount of revenue.

"The evidence shows a degree and extent of carelessness which we think should not be permitted to continue. This point was illustrated to some degree by the testimony of the chiefs of the appraiser's department, the important duties of which would certainly justify a reasonable exactness. The invoices, which are recorded in that office, and which are sent out to the different divisions to be passed upon and then returned to the chief clerk, are found to exhibit, on their return, errors on the part of the several divisions—according to one witness, nearly eight hundred errors a month—although the number by the appraiser was estimated at a lesser figure. A part of these errors may be assigned to a difference of opinion as to the classification of the goods; but fully one-half are attributed to carelessness. At the naval office it was stated that the balance in favor of the government, of the many and large errors which they discover in the customhouse accounts of the liquidation of vessels and statements of refund, amounts to about a million and a half of dollars per annum."

The commission entered into a full statement and details as to irregularities, inefficiency and neglect of duties in different departments of the customhouse, and recommended various measures of reform, both in the laws regulating the customs service and its actual administration. A copy of this report was immediately sent to Collector Arthur and Naval Officer Cornell, with instructions to recommend to me the number of each grade for each branch of his office, with various details designated by me, and to carry into execution the general recommendations of the commission. I added:

"You will please take your own way, by committee of your officers or otherwise, to fix the number of each grade requisite to conduct the business of your office, and make report as early as practicable."

The third report was made on the 21st of July, and related to the management of the department of weighers and gaugers.

The fourth report, made on the 31st of August, related to the appraiser's office. In acknowledging the receipt of this report on the 12th of September, I stated:

"The recommendations made by you will be fully examined in detail, and be acted upon cotemporaneously with the proposed change in the leading officers of that customhouse."

Two other reports were made, dated October 31 and November 1, 1877, the latter containing suggestions as to recommendations of legislative amendments to various existing laws and usages.

After the receipt of the report of August 31 the President, who had carefully read the several reports, announced his desire to make a change in the three leading offices of the New York customhouse. He wished to place it upon the ground that he thought the public service would be best promoted by a general change, that new officers would be more likely to make the radical reforms required than those then in the customhouse. The matter was submitted to the cabinet, and I was requested to communicate with these officers, in the hope that they would resign and relieve the President from the unpleasant embarrassment of removing them. On the 6th of September I wrote to Richard C. McCormick, Assistant Secretary of the

Treasury, who was then at his home near New York on account of illness, the following letter. I knew that Mr. McCormick was on friendly terms with Collector Arthur, and that he might better than I inform him of the wish of the President to receive the resignations of himself, and Messrs. Cornell and Sharpe:

TREASURY DEPARTMENT,
WASHINGTON, D. C., September 6, 1877.

DEAR GOVERNOR:—After a very full consideration, and a very kindly one, the President, with the cordial assent of his cabinet, came to the conclusion that the public interests demanded a change in the three leading offices in New York, and a public announcement of that character was authorized. I am quite sure that this will, on the whole, be considered to be a wise result. The manner of making the changes and the persons to be appointed will be a subject of careful and full consideration, but it is better to know that it is determined upon and ended. This made it unnecessary to consider the telegrams in regard to Mr. Cornell. It is probable that no special point would have been made upon his holding his position as chairman of the state committee for a limited time, but even that was not the thing, the real question being that, whether he resigned or not, it was better that he and Arthur and Sharpe should all give way to new men, to try definitely a new policy in the conduct of the New York customhouse.

I have no doubt, unless these gentlemen should make it impossible by their conduct hereafter, that they will be treated with the utmost consideration, and, for one, I have no hesitation in saying that I hope General Arthur will be recognized in a most complimentary way.

Things are going on quietly here, but we miss you very much. Hope you will have a pleasant time and return to us in fresh health and vigor.

Very truly yours, JOHN SHERMAN.

HON. R. C. MCCORMICK.

On the next day I wrote him a supplementary letter:

TREASURY DEPARTMENT,
WASHINGTON, D. C., September 7, 1877.

DEAR GOVERNOR:—Your note of yesterday is received.

The action of the President on the New York customhouse cases turned upon the general question of change there, and not upon Cornell's case. It happened in this way: General Sharpe, in a very manly letter, withdrew his application for reappointment as surveyor of the port. In considering the question of successor the main point, as to whether the changes in the New York customhouse rendered necessary a general change of the heads of the departments, was very fully and very kindly considered, and, without any reference to Cornell's matter, until it was thought, as a matter of public policy, it was best to make change in these heads, with some details about

it which I will communicate to you when you return. When that was seen to be the unanimous opinion, it was thought hardly worth while to single out Mr. Cornell's case, and act upon it on the question that affected him alone. If he was allowed to resign from the committee, it would undoubtedly be upon an implied supposition that he would be continued as naval officer. I think even yet he ought to do as he proposed to Orton, but we could not afford to have him do it with any such implied assent, and, therefore, it was deemed better to make the formal announcement agreed upon. You know how carefully such things are considered, and, after a night's reflection, I am satisfied of the wisdom of the conclusion.

I want to see Arthur, and have requested him to come here. You can say to him that, with the kindest feelings, and, as he will understand when he sees me, with a proper appreciation of his conduct during the examination by the commission, there should be no feeling about this in New York. At all events, what has been done is beyond recall.

Very truly yours, JOHN SHERMAN.

HON. R. C. MCCORMICK.

Mr. McCormick complied with my request, and orally reported his interview on his return to Washington. We were given to understand that these officers did not wish to be removed pending the investigation, as it would seem that they were charged with the acknowledged defects and irregularities which they themselves had pointed out. The President was quite willing to base his request for their resignation, not upon the ground that they were guilty of the offenses charged, but that new officers could probably deal with the reorganization of the customhouse with more freedom and success than the incumbents. I also saw General Arthur, and explained to him the view taken by the President and his desire not in any way to reflect upon the collector and his associates, Cornell and Sharpe. I believed that at the close of the investigation by the commission these gentlemen would resign, and that their character and merits would be recognized possibly by appointments to other offices.

Acting on this idea, on the 15th of October, I wrote the following letter to Arthur:

WASHINGTON, D. C., October 15, 1877.

DEAR SIR:—I regret to hear from Mr. Evarts that you decline the consulship at Paris which I supposed would be very agreeable to you.

As the time has arrived when your successor must be appointed, I submit to you whether, though your resignation might be inferred from your

letters on file, it would not be better for you to tender it formally before your successor is appointed.

The President desires to make this change in a way most agreeable to you, and it would be most convenient to have it announced to-morrow.

An early answer is requested. Very truly, etc.,

JOHN SHERMAN.

GENERAL C. A. ARTHUR, Collector Customs, New York.

It soon became manifest that these gentlemen had no purpose to resign, and that Senator Conkling intended to make a political contest against the policy of civil service reform inaugurated by President Hayes. On the 24th of October, 1877, the President sent to the Senate the nominations of Theodore Roosevelt to succeed Arthur as collector, Edwin A. Merritt to succeed George H. Sharpe as surveyor, and L. B. Prince to succeed A. B. Cornell as naval officer. All of them were rejected by the Senate on the 29th of October. On the 6th of December, during the following session, Roosevelt, Prince and Merritt were again nominated, and the two former were again rejected. Merritt was confirmed as surveyor on the 16th of December.

This action of the Senate was indefensible. There was not the slightest objection to Roosevelt or Prince, and none was made. The reasons for a change were given in the report of the Jay commission. Even without this report the right of the President to appoint these officers was given by the constitution. To compel the President to retain anyone in such an office, charged with the collection of the great body of the revenue from customs, in the face of such reasons as were given for removal, was a gross breach of public duty. No doubt the Democratic majority in the Senate might defend themselves with political reasons, but the motive of Mr. Conkling was hostility to President Hayes and his inborn desire to domineer. The chief embarrassment fell upon me. I wished to execute the reforms needed in the collector's office, but could only do it with his consent. The coöperation required was not given, and the office was held in pronounced contempt of the President. If the rejection of these nominations had been placed upon the ground of unfitness, other names could have been sent to the Senate, but there was no charge of that kind, while specific

New-York Tribune.

New York, Mar 29 1878

My Dear Mr. Sherman:

Leaving Washington unexpectedly this morning, I was unable to call again at the Treasury Department in accordance with your polite invitation of last night. I have, however, been thinking over the Custom House problem on which you asked my opinion. It seems to me more and more clear that, if a new appointment is to be made, it should be controlled by two considerations 1) The appointee should be a man who can be confirmed, and (2) he should be a man equal to all the practical duties of the place, which are necessarily and essentially political as well as mercantile.

To nominate another man only to have him rejected would do great harm, and the confirmation cannot by any means be taken for granted. I believe it is possible to select some well-known man, who has carefully studied the subject of revenue collection and could bring to the task executive skill, experience, and sound business and political sagacity, and that such a nomination could be confirmed. I assume, of course, that any movement of this sort would be based upon the previous removal of the present incumbent for good cause—

of which I have been hearing rumors for some time.

— May let me renew more formally the invitation to dine with me on the Evening of the 10th of April at seven o'clock at the Union League Club, to meet Mr. Bayard Fowler just before his departure for Berlin. Sincerely hope you can arrange your movements after the Chester visit so as to make it possible.

Very truly yours,
Whitelaw Reid

Hon. John Sherman,
Secretary of the Treasury
Washington
D.C.

and definite charges were made against the incumbents. Other names were mentioned to the President, and suggestions were made, among others by Whitelaw Reid, whose letter I insert:

NEW YORK, March 29, 1878.

MY DEAR MR. SHERMAN: — Leaving Washington unexpectedly this morning, I was unable to call again at the treasury department in accordance with your polite invitation of last night. I have, however, been thinking over the customhouse problem of which you asked my opinion. It seems to me, more and more clear, that, if a new appointment is to be made, it should be controlled by two considerations: First, the appointee should be a man who can be confirmed; and, second, he should be a man equal to all the practical duties of the place, which are necessarily and essentially political as well as mercantile.

To nominate another man only to have him rejected would do great harm, and the confirmation cannot, by any means, be taken for granted. I believe it is possible to select some well-known man, who has carefully studied the subject of revenue collection, and could bring to the task executive skill, experience, and sound business and political sagacity, and that such a nomination could be confirmed. I assume, of course, that any movement of this sort would be based upon the previous removal of the present incumbent, for good cause — of which I have been hearing rumors for some time.

Pray let me renew more formally the invitation to dine with me, on the evening of the 10th of April, at seven o'clock, at the Union League Club, to meet Mr. Bayard Taylor just before his departure for Berlin. I sincerely hope you can arrange your movements after the Chester visit so as to make it possible. Very truly yours. WHITELAW REID.

HON. JOHN SHERMAN, Secretary of the Treasury, Washington, D. C.

The President would not make other appointments during the session of the Senate, as the implication would arise that the rejections were based upon opposition to the persons named, and he, therefore, postponed any action until the close of the session.

After the close of the session, on the 11th of July, 1878, the President gave temporary commissions to Edwin A. Merritt as collector to succeed C. A. Arthur, and Silas W. Burt to succeed Cornell as naval officer, and these gentlemen entered upon the duties of their respective offices.

On the following December it became necessary to send their nominations to the Senate. I had definitely made up my mind that if the Senate again rejected them I would resign. I

would not hold an office when my political friends forced me to act through unfriendly subordinates. I wrote a letter to Senator Allison as follows:

WASHINGTON, D. C., January 31, 1879.

MY DEAR SIR:—I would not bother you with this personal matter, but that I feel the deepest interest in the confirmation of General Merritt, which I know will be beneficial to us as a party, and still more so to the public service. Personally I have the deepest interest in it because I have been unjustly assailed in regard to it in the most offensive manner. I feel free to appeal to you and Windom, representing as you do western states, and being old friends and acquaintances, to take into consideration this personal aspect of the case. If the restoration of Arthur is insisted upon, the whole liberal element will be against us and it will lose us tens of thousands of votes without doing a particle of good. No man could be a more earnest Republican than I, and I feel this political loss as much as anyone can. It will be a personal reproach to me, and merely to gratify the insane hate of Conkling, who in this respect disregards the express wishes of the Republican Members from New York, of the great body of Republicans, and, as I personally know, runs in antagonism to his nearest and best friends in the Senate.

Surely men like you and Windom, who have the courage of your convictions, should put a stop to this foolish and unnecessary warfare. Three or four men who will tell Conkling squarely that, while you are his friends, you will not injure our party and our cause, would put a stop to this business. Arthur will not go back into the office. This contest will be continued, and the only result of all this foolish madness will be to compel a Republican administration to appeal to a Democratic Senate for confirmation of a collector at New York. It is a most fatal mistake.

I intended to call upon some of the Senators this morning, but I am very much pressed, and will ask you to show this in confidence to Senator Windom, as I have not time to write him.

Very truly yours, JOHN SHERMAN.

HON. W. B. ALLISON, U. S. Senate.

I wrote to Senator Justin S. Morrill a much longer letter, giving reasons in detail in favor of confirmation and containing specific charges of neglect of duty on the part of Arthur and Cornell, but I do not care to revive them.

Conkling was confident of defeating the confirmations, and thus restoring Arthur and Cornell. The matter was decided, after a struggle of seven hours in the Senate, by the decisive vote in favor of confirmation of Merritt 33, and against him 24, in favor of Burt 31, against 19. From this time forward there

24 Washington Square
New York Feb 3 7879.

The Honorable
John Sherman.
" " "

My Dear Sir,

Allow me to thank you for the two papers you have kindly sent me in reference to the Custom House - the last of which - the firm message of the President with your second conclusive letter reached me today.

Whatever may be the result in the Senate. and I can scarcely believe that after so full an exposure, the nomination will be rejected. the plain thinking people of the country will appreciate the attitude taken by the Government as the only one consistent with the duty of the Executive & the General welfare.

It will give new hope and confidence to the great body of Republicans, and to many who can hardly be called Republicans

who look to the Administration
for an unflinching adherence.
No matter what the opposition —
to the pledges of Reform on which
the party was successful in the
last Election, and on fidelity to
which depends its safety in
the next.

The Country is infinitely
indebted to you for redeeming
its faith by a return to honest
money. A new debt will be
incurred of yet wider scope if
you succeed in liberating the
Customs Service from the vicious
grip of the minorial faction of
Office-holders

and their retainers, who have
made it a scandal to the nation,
with such gigantic loss to the
hearing & immeasurable
damage to our Commerce industry
& morals.

I hope that the President will
face that all good citizens who are
not blinded by prejudice or interest
are thoroughly with him in the
policy & resolve of his message that
the Custom house shall no longer be
"a centre of partizan political management"

With great regard I have the
honour to be Dear Mr. Sherman

Faithfully Yours

John Jay

was but slight opposition to the confirmation of Hayes' appointments. The reforms proposed in the customhouse at New York were carried out.

This termination of the controversy with Arthur and Cornell was supported by public opinion generally throughout the United States. I insert a letter from John Jay upon the subject.

N. Y. C. H., 24 Washington Square,
New York, February 3, 1879.

The Honorable John Sherman.

My Dear Sir:—Allow me to thank you for the two papers you have kindly sent me, in reference to the customhouse, the last of which, the firm message of the President with your second conclusive letter, reached me to-day.

Whatever may be the result in the Senate, and I can scarcely believe that, after so full an exposure, the nomination will be rejected, the plain-thinking people of this country will appreciate the attitude taken by the government as the only one consistent with the duty of the executive and the general welfare.

It will give new hope and confidence to the great body of Republicans, and to many who can hardly be called Republicans, who look to the administration for an unflinching adherence — no matter what the opposition — to the pledge of reform on which the party was successful in the last election, and on fidelity to which depends its safety in the next.

The country is infinitely indebted to you for redeeming its faith by a return to honest money. A new debt will be incurred of yet wider scope if you succeed in liberating the custom service from the vicious grip of the immoral factions of office holders and their retainers, who have made it a scandal to the nation with such gigantic loss to the treasury and immeasurable damage to our commerce, industry and morals.

I hope that the President will feel that all good citizens who are not blinded by prejudice or interest are thoroughly with him in the policy and resolve of his message that the customhouse shall no longer be 'a center of partisan political management.'

With great regard I have the honor to be, dear Mr. Sherman,

Faithfully yours, John Jay.

CHAPTER XXXVI.

Preparations for Resumption of Specie Payments.

Annual Report Made to Congress on December 2, 1878 — Preparations for Resumption Accompanied with Increased Business and Confidence — Full Explanation of the Powers of the Treasurer Under the Act — How Resumption Was to Be Accomplished — Laws Effecting the Coinage of Gold and Silver — Recommendation to Congress that the Coinage of the Silver Dollar Be Discontinued When the Amount Outstanding Should Exceed $50,000,000 — Funding the Public Debt — United States Notes at Par with Gold — Instructions to the Assistant Treasurer at New York — Political Situation in Ohio.

THE annual report made by me to Congress on the 2nd of December, 1878, contained the usual formal information as to the condition of the treasury, and the various bureaus and divisions of that department. It was regarded as a fair statement of public affairs at a time of unusual prosperity. The revenue in excess of expenditures during the year amounted to $20,799,551.90.

The statement made by me in this report, in respect to the resumption of specie payments on the 1st day of January, 1879, is so closely a narrative of what did happen before and after that date that I deem it best to quote the language of the report. I then said:

"The important duty imposed on this department by the resumption act, approved January 14, 1875, has been steadily pursued during the past year. The plain purpose of the act is to secure to all interests and all classes the benefits of a sound currency, redeemable in coin, with the least possible disturbance of existing rights and contracts. Three of its provisions have been substantially carried into execution by the gradual substitution of fractional coin for fractional currency, by the free coinage of gold, and by free banking. There remains only the completion of preparations for resumption in coin on the 1st day of January, 1879, and its maintenance thereafter upon the basis of existing law.

"At the date of my annual report to Congress in December, 1877, it was deemed necessary, as a preparation for resumption, to accumulate in the treasury a coin reserve of at least forty per cent. of the amount of United States notes outstanding. At that time it was anticipated that under the provisions of the resumption act the volume of United States notes would be reduced to $300,000,000 by the 1st day of January, 1879, or soon thereafter, and that a reserve in coin of $120,000,000 would then be sufficient. Congress, however, in view of the strong popular feeling against a contraction of the currency, by the act approved May 31, 1878, forbade the retirement of any United States notes after that date, leaving the amount in circulation $346,681,016. Upon the principle of safety upon which the department was acting, that forty per cent. of coin was the smallest reserve upon which resumption could prudently be commenced, it became necessary to increase the coin reserve to $138,000,000.

"At the close of the year 1877 this coin reserve, in excess of coin liability, amounted to $63,016,050.96, of which $15,000,000 were obtained by the sale of four and a half per cent., and $25,000,000 by the sale of four per cent., bonds, the residue being surplus revenue. Subsequently, on the 11th day of April, 1878, the secretary entered into a contract with certain bankers in New York and London — the parties to the previous contract of June 9, 1877, already communicated to Congress— for the sale of $50,000,000 four and a half per cent. bonds for resumption purposes. The bonds were sold at a premium of one and a half per cent. and accrued interest, less a commission of one-half of one per cent. The contract has been fulfilled, and the net proceeds, $50,500,000, have been paid into the treasury in gold coin. The $5,500,000 coin paid on the Halifax award have been replaced by the sale of that amount of four per cent. bonds sold for resumption purposes, making the aggregate amount of bonds sold for these purposes, $95,500,000, of which $65,000,000 were four and a half per cent. bonds, and $30,500,000 four per cent. bonds. To this has been added the surplus revenue from time to time. The amount of coin held in the treasury on the 23rd day of November last, in excess of coin sufficient to pay all accrued coin liabilities, was $141,888,100, and constitutes the coin reserve prepared for resumption purposes. This sum will be diminished somewhat on the 1st of January next, by reason of the large amount of interest accruing on that day in excess of the coin revenue received meanwhile.

"In anticipation of resumption, and in view of the fact that the redemption of United States notes is mandatory only at the office of the assistant treasurer in the city of New York, it was deemed important to secure the coöperation of the associated banks of that city in the ready collection of drafts on those banks and in the payment of treasury drafts held by them. A satisfactory arrangement has been made by which all drafts on the banks held by the treasury are to be paid at the clearing house, and all drafts on the treasury held by them are to be paid to the clearing house at the office of the assistant treasurer, in United States notes; and, after the 1st of January,

United States notes are to be received by them as coin. This will greatly lessen the risk and labor of collections both to the treasury and the banks.

"Every step in these preparations for resumption has been accompanied with increased business and confidence. The accumulation of coin, instead of increasing its price, as was feared by many, has steadily reduced its premium in the market. The depressing and ruinous losses that followed the panic of 1873 had not diminished in 1875, when the resumption act passed; but every measure taken in the execution or enforcement of this act has tended to lighten these losses and to reduce the premium on coin, so that now it is merely nominal. The present condition of our trade, industry, and commerce, hereafter more fully stated, our ample reserves, and the general confidence inspired in our financial condition, seem to justify the opinion that we are prepared to commence and maintain resumption from and after the 1st day of January, A. D. 1879.

"The means and manner of doing this are left largely to the discretion of the secretary, but, from the nature of the duty imposed, he must restore coin and bullion, when withdrawn in the process of redemption, either by the sale of bonds, or the use of the surplus revenue, or of the notes redeemed from time to time.

"The power to sell any of the bonds described in the refunding act continues after as well as before resumption. Though it may not be often used, it is essential to enable this department to meet emergencies. By its exercise it is anticipated that the treasury at any time can readily obtain coin to reinforce the reserve already accumulated. United States notes must, however, be the chief means under existing law with which the department must restore coin and bullion when withdrawn in process of redemption. The notes, when redeemed, must necessarily accumulate in the treasury until their superior use and convenience for circulation enables the department to exchange them at par for coin or bullion.

"The act of May 31, 1878, already referred to, provides that when United States notes are redeemed or received in the treasury under any law, from any source whatever, and shall belong to the United States, they shall not be retired, canceled, or destroyed, but shall be reissued and paid out again and kept in circulation.

"The power to reissue United States notes was conferred by section 3579, Revised Statutes, and was not limited by the resumption act. As this, however, was questioned, Congress wisely removed the doubt.

"Notes redeemed are like other notes received into the treasury. Payments of them can be made only in consequence of appropriations made by law, or for the purchase of bullion, or for the refunding of the public debt.

"The current receipts from revenue are sufficient to meet the current expenditures as well as the accruing interest on the public debt. Authority is conferred by the refunding act to redeem six per cent. bonds as they become redeemable, by the proceeds of the sale of bonds bearing a lower

rate of interest. The United States notes redeemed under the resumption act are, therefore, the principal means provided for the purchase of bullion or coin with which to maintain resumption, but should only be paid out when they can be used to replace an equal amount of coin withdrawn from the resumption fund. They may, it is true, be used for current purposes like other money, but when so used their place is filled by money received from taxes or other sources of revenue.

"In daily business no distinction need be made between moneys, from whatever source received, but they may properly be applied to any of the purposes authorized by law. No doubt coin liabilities, such as interest or principal of the public debt, will be ordinarily paid and willingly received in United States notes, but, when demanded, such payments will be made in coin; and United States notes and coin will be used in the purchase of bullion. This method has already been adopted in Colorado and North Carolina, and arrangements are being perfected to purchase bullion in this way in all the mining regions of the United States.

"By the act approved June 8, 1878, the Secretary of the Treasury is authorized to constitute any superintendent of a mint, or assayer of any assay office, an assistant treasurer of the United States, to receive gold coin or bullion on deposit. By the legislative appropriation bill, approved June 19, 1878, the Secretary of the Treasury is authorized to issue coin certificates in payment to depositors of bullion at the several mints and assay offices of the United States. These provisions, intended to secure to the producers of bullion more speedy payment, will necessarily bring into the mints and treasury the great body of the precious metals mined in the United States, and will tend greatly to the easy and steady supply of bullion for coinage. United States notes, at par with coin, will be readily received for bullion instead of coin certificates, and with great advantage and convenience to the producers.

"Deposits of coin in the treasury will, no doubt, continue to be made after the 1st of January, as heretofore. Both gold and silver coin, from its weight and bulk, will naturally seek such a safe deposit, while notes redeemable in coin, from their superior convenience, will be circulated instead. After resumption the distinction between coin and United States notes should be, as far as practicable, abandoned in the current affairs of the government; and therefore no coin certificates should be issued except where expressly required by the provisions of law, as in the case of silver certificates. The gold certificates hitherto issued by virtue of the discretion conferred upon the secretary will not be issued after the 1st of January next. The necessity for them during a suspension of specie payments is obvious, but no longer exists when by law every United States note is, in effect, a coin certificate. The only purpose that could be subserved by their issue hereafter would be to enable persons to convert their notes into coin certificates, and thus contract the currency and hoard gold in the vaults of the treasury without the inconvenience or risk of its custody. For convenience,

United States notes of the same denomination as the larger coin certificates will be issued.

"By existing law, customs duties and the interest of the public debt are payable in coin, and a portion of the duties was specifically pledged as a special fund for the payment of the interest, thus making one provision dependent upon the other. As we cannot, with due regard to the public honor, repeal the obligation to pay coin, we ought not to impair or repeal the means provided to procure coin. When, happily, our notes are equal to coin, they will be accepted as coin, both by the public creditor and by the government; but this acceptance should be left to the option of the respective parties, and the legal right on both sides to demand coin should be preserved inviolate.

"The secretary is of the opinion that a change of the law is not necessary to authorize this department to receive United States notes for customs duties on and after the 1st day of January, 1879, while they are redeemable and are redeemed on demand in coin. After resumption it would seem a useless inconvenience to require payment of such duties in coin rather than in United States notes. The resumption act, by clear implication, so far modifies previous laws as to permit payments in United States notes as well as in coin. The provision for coin payments was made in the midst of war, when the notes were depreciated and the public necessities required an assured revenue in coin to support the public credit. This alone justified the refusal by the government to take its own notes for the taxes levied by it. It has now definitely assumed to pay these notes in coin, and this necessarily implies the receipt of these notes as coin. To refuse them is only to invite their presentation for coin. Any other construction would require the notes to be presented to the assistant treasurer in New York for coin, and, if used in the purchase of bonds, to be returned to the same officer, or, if used for the payment of customs duties, to be carried to the collector of customs, who must daily deposit in the treasury all money received by him. It is not to be assumed that the law requires this indirect and inconvenient process after the notes are redeemable in coin on demand of the holder. They are then at a parity with coin, and both should be received indiscriminately.

"If United States notes are received for duties at the port of New York, they should be received for the same purpose in all other ports of the United States, or an unconstitutional preference would be given to that port over other ports. If this privilege is denied to the citizens of other ports, they could make such use of these notes only by transporting them to New York and transporting the coin to their homes for payment; and all this not only without benefit to the government, but with a loss in returning the coin again to New York, where it is required for redemption purposes.

"The provision in the law for redemption in New York was believed to be practical redemption in all parts of the United States. Actual redemption was confined to a single place from the necessity of maintaining only

one coin reserve and where the coin could be easily accumulated and kept.

"With this view of the resumption act, the secretary will feel it to be his duty, unless Congress otherwise provides, to direct that after the 1st day of January next, and while United States notes are redeemed at the treasury, they be received the same as coin by the officers of this department, in all payments in all parts of the United States.

"If any further provision of law is deemed necessary by Congress to authorize the receipt of United States notes for customs dues or for bonds, the secretary respectfully submits that this authority should continue only while the notes are redeemed in coin. However desirable continuous resumption may be, and however confident we may feel in its maintenance, yet the experience of many nations has proven that it may be impossible in periods of great emergency. In such events the public faith demands that the customs duties shall be collected in coin and paid to the public creditors, and this pledge should never be violated or our ability to perform it endangered.

"Heretofore, the treasury, in the disbursement of currency, has paid out bills of any denomination desired. In this way the number of bills of a less denomination than five dollars is determined by the demand for them. Such would appear to be the true policy after the 1st of January. It has been urged that, with a view to place in circulation silver coins, no bills of less than five dollars should be issued. It would seem to be more just and expedient not to force any form of money upon a public creditor, but to give him the option of the kind and denomination. The convenience of the public, in this respect, should be consulted. The only way by which moneys of different kinds and intrinsic values can be maintained in circulation at par with each other is by the ability, when one kind is in excess, to readily exchange it for the other. This principle is applicable to coin as well as to paper money. In this way the largest amount of money of different kinds can be maintained at par, the different purposes for which each is issued making a demand for it. The refusal or neglect to maintain this species of redemption inevitably effects the exclusion from circulation of the most valuable, which, thereafter, becomes a commodity, bought and sold at a premium. . . .

"When the resumption act passed, gold was the only coin which by law was a legal tender in payment of all debts. That act contemplated resumption in gold coin only. No silver coin of full legal tender could then be lawfully issued. The only silver coin provided was fractional coin, which was a legal tender for five dollars only. The act approved February 28, 1878, made a very important change in our coinage system. The silver dollar provided for was made a legal tender for all debts, public and private, except where otherwise expressly stipulated in the contract.

"The law itself clearly shows that the silver dollar was not to supersede the gold dollar; nor did Congress propose to adopt the single standard of

silver, but only to create a bimetallic standard of silver and gold, of equal value and equal purchasing power. Congress, therefore, limited the amount of silver dollars to be coined to not less than two millions nor more than four millions per month, but did not limit the aggregate amount nor the period of time during which this coinage should continue. The market value of the silver in the dollar, at the date of the passage of the act, was $93\frac{1}{4}$ cents in gold coin. Now it is about 86 cents in gold coin. If it was intended by Congress to adopt the silver instead of the gold standard, the amount provided for is totally inadequate for the purpose. Experience, not only in this country, but in European countries, has established that a certain amount of silver coin may be maintained in circulation at par with gold, though of less intrinsic bullion value. It was, no doubt, the intention of Congress to provide a coin in silver which would answer a multitude of the purposes of business life, without banishing from circulation the established gold coin of the country. To accomplish this it is indispensable either that the silver coin be limited in amount, or that its bullion value be equal to that of the gold dollar. If not, its use will be limited to domestic purposes. It cannot be exported except at its commercial value as bullion. If issued in excess of demands for domestic purposes, it will necessarily fall in market value, and, by a well-known principle of finance, will become the sole coin standard of value. Gold will be either hoarded or exported. When two currencies, both legal, are authorized without limit, the cheaper alone will circulate. If, however, the issue of the silver dollars is limited to an amount demanded for circulation, there will be no depreciation, and their convenient use will keep them at par with gold, as fractional silver coin, issued under the act approved February 21, 1853, was kept at par with gold.

"The amount of such coin that can thus be maintained at par with gold cannot be fairly tested until resumption is accomplished. As yet paper money has been depreciated, and silver dollars, being receivable for customs dues, have naturally not entered into general circulation, but have returned to the treasury in payment of such dues, and thus the only effect of the attempt of the department to circulate them has been to diminish the gold revenue. After resumption these coins will circulate in considerable sums for small payments. To the extent that such demand will give employment to silver dollars their use will be an aid to resumption rather than a hindrance, but, if issued in excess of such demand, they will at once tend to displace gold and become the sole standard, and gradually, as they increase in number, will fall to their value as bullion. Even the fear or suspicion of such an excess tends to banish gold, and, if well established, will cause a continuous drain of gold until imperative necessity will compel resumption in silver alone. The serious effects of such a radical change in our standards of value cannot be exaggerated; and its possibility will greatly disturb confidence in resumption, and may make necessary larger reserves and further sales of bonds.

"The secretary, therefore, earnestly invokes the attention of Congress to this subject, with a view that either during the present or the next session the amount of silver dollars to be issued be limited, or their ratio to gold for coining purposes be changed.

"Gold and silver have varied in value from time to time in the history of nations, and laws have been passed to meet this changing value. In our country, by the act of April 2, 1792, the ratio between them was fixed at one of gold to fifteen of silver. By the act of June 28, 1834, the ratio was changed to one of gold to sixteen of silver. For more than a century the market value of the two metals had varied between these two ratios, mainly resting at that fixed by the Latin nations, of one to fifteen and a half.

"But we cannot overlook the fact that within a few years, from causes frequently discussed in Congress, a great change has occurred in the relative value of the two metals. It would seem to be expedient to recognize this controlling fact—one that no nation alone can change—by a careful readjustment of the legal ratio for coinage of one to sixteen, so as to conform to the relative market values of the two metals. The ratios heretofore fixed were always made with that view, and, when made, did conform as near as might be. Now, that the production and use of the two metals have greatly changed in relative value, a corresponding change must be made in the coinage ratio. There is no peculiar force or sanction in the present ratio that should make us hesitate to adopt another, when, in the markets of the world, it is proven that such ratio is not now the true one. The addition of one-tenth or one-eighth to the thickness of the silver dollar would scarcely be perceived as an inconvenience by the holder, but would inspire confidence, and add greatly to its circulation. As prices are now based on United States notes at par with gold, no disturbance of values would result from the change.

"It appears, from the recent conference at Paris, invited by us, that other nations will not join with us in fixing an international ratio, and that each country must adapt its laws to its own policy. The tendency of late among commercial nations is to the adoption of a single standard of gold and the issue of silver for fractional coin. We may, by ignoring this tendency, give temporarily increased value to the stores of silver held in Germany and France, until our market absorbs them, but, by adopting a silver standard as nearly equal to gold as practicable, we make a market for our large production of silver, and furnish a full, honest dollar that will be hoarded, transported, or circulated, without disparagement or reproach.

"It is respectfully submitted that the United States, already so largely interested in trade with all parts of the world, and becoming, by its population, wealth, commerce, and productions, a leading member of the family of nations, should not adopt a standard of less intrinsic value than other commercial nations. Alike interested in silver and gold, as the great producing country of both, it should coin them at such a ratio and on such conditions as will secure the largest use and circulation of both metals without displacing

either. Gold must necessarily be the standard of value in great transactions, from its greater relative value, but it is not capable of the division required for small transactions; while silver is indispensable for a multitude of daily wants, and is too bulky for use in the larger transactions of business, and the cost of its transportation for long distances would greatly increase the present rates of exchange. It would, therefore, seem to be the best policy for the present to limit the aggregate issue of our silver dollars, based on the ratio of sixteen to one, to such sums as can clearly be maintained at par with gold, until the price of silver in the market shall assume a definite ratio to gold, when that ratio should be adopted, and our coins made to conform to it; and the secretary respectfully recommends that he be authorized to discontinue the coinage of the silver dollar when the amount outstanding shall exceed fifty million dollars.

"The secretary deems it proper to state that in the meantime, in the execution of the law as it now stands, he will feel it to be his duty to redeem all United States notes presented on and after January 1, next, at the office of the assistant treasurer of the United States, in the city of New York, in sums of not less than fifty dollars, with either gold or silver coin, as desired by the holder, but reserving the legal option of the government; and to pay out United States notes for all other demands on the treasury, except when coin is demanded on coin liabilities.

"It is his duty, as an executive officer, to frankly state his opinions, so that if he is in error Congress may prescribe such a policy as is best for the public interests.

"The amount of four per cent. bonds sold during the present year, prior to November 23, is $100,270,900, of which $94,770,900 were sold under the refunding act approved July 14, 1870. Six per cent. bonds, commonly known as 5-20's, to an equal amount, have been redeemed, or will be redeemed as calls mature. This beneficial process was greatly retarded by the requirement of the law that subscriptions must be paid in coin, the inconvenience of obtaining which, to the great body of the people outside of the large cities, deterred many sales. This will not affect sales after resumption, when bonds can be paid for with United States notes. The large absorption of United States securities in the American market, by reason of their return from Europe, together with the sale of four and a half per cent. bonds for resumption purposes, tended to retard the sale of four per cent. bonds. As, from the best advices, not more than $200,000,000 of United States bonds are now held out of the country, it may be fairly anticipated that the sale of four per cent. bonds, hereafter, will largely increase.

"Prior to May, 1877, United States bonds were mainly sold through an association of bankers. Experience proves that under the present plan of selling to all subscribers on terms fixed by public advertisement, though the aggregate of sales may be less, their distribution is more satisfactory. Under a popular loan the interest is paid at home, and the investment is available at all times, without loss, to meet the needs of the holder. This

policy has been carefully fostered by other nations, and should be specially so in ours, where every citizen equally participates in the government of his country. The holding of these bonds at home, in small sums well distributed, is of great importance in enlisting popular interest in our national credit and in encouraging habits of thrift, and such holding in the country is far more stable and less likely to disturb the market than it would be in cities or by corporations, where the bonds can be promptly sold in quantities.

"The three months' public notice required by the fourth section of the refunding act, to be given to the holders of the 5-20 bonds to be redeemed, necessarily involves a loss to the government by the payment of double interest during that time. The notice should not be given until subscriptions are made or are reasonably certain to be made. When they are made and the money is paid into the treasury, whether it is kept there idle during the three months or deposited with national banks under existing law, the government not only pays interest on both classes of bonds during the ninety days, but, if the sales are large, the hoarding of large sums may disturb the market. Under existing law this is unavoidable; and, to mitigate it, the secretary deemed it expedient during the last summer to make calls in anticipation of subscriptions, but this, though legal, might, in case of failure of subscriptions, embarrass the government in paying called bonds. The long notice required by law is not necessary in the interest of the holder of the bonds, for, as the calls are made by public notice and the bonds are indicated and specified by class, date, and number, in the order of their numbers and issue, he, by ordinary diligence, can know beforehand when his bonds in due course will probably be called, and will not be taken by surprise.

"The secretary therefore recommends that the notice to be given for called bonds be, at his discretion, not less than ten days nor more than three months. In this way he will be able largely to avoid the payment of double interest, as well as the temporary contraction of the currency, and may fix the maturity of the call at a time when the interest of the called bonds becomes due and payable."

Soon after the passage of the act authorizing the coinage of the standard silver dollar, and an attempt being made to procure the requisite bullion for its coinage to some extent at the mints on the Pacific coast, it was found that the producers and dealers there would not sell silver to the government at the equivalent of the London rate, but demanded in addition thereto an amount equal to the cost of bringing it from London and laying it down in San Francisco. These terms, being deemed exorbitant, were rejected, and arrangements were immediately made to bring the capacity of the mint at Philadelphia to its

maximum, with a view to meet the provisions of law, which required two millions of silver dollars to be coined in each month, and the available supplies of silver from domestic sources being entirely insufficient for the coinage of this amount, the foreign market was indirectly resorted to and an amount sufficient to meet the requirements of law secured.

In July, 1878, the principal holders of bullion on the Pacific coast receded from their position and accepted the equivalent of the London rate, at which price sufficient bullion was purchased to employ the mints at San Francisco and Carson on the coinage of the dollar.

At the date of my report, United States notes were practically at par with gold. The public mind had settled into a conviction that the parity of coin and currency was assured, and our people, accustomed to the convenience of paper money, would not willingly have received coin to any considerable amount in any business transactions. The minor coins of silver, were received and paid out without question at parity with gold coin, because the amount was limited and they were coined by the government only as demanded for the public convenience. The silver dollar was too weighty and cumbersome and when offered in considerable sums was objected to, though a legal tender for any sum, and coined only in limited amounts for government account. Every effort was made by the treasury department to give it the largest circulation, but the highest amount that could be circulated was from fifty to sixty millions, and much of this was in the southern states. All sums in excess of that were returned to the treasury for silver certificates. These were circulated as money, like United States notes and bank bills. This was only possible by the guarantee of the government that all forms of money would be maintained at parity with each other. If this guarantee had been doubted, or if the holder of silver bullion could have had it coined at his pleasure and for his benefit at the ratio of sixteen to one, the silver dollar would, as the cheaper coin, have excluded all other forms of money, and the purchasing power of silver coin would have been reduced to the market value of silver bullion.

On the 3rd of December, 1878, I wrote the following letter:

HON. THOMAS HILLHOUSE,
United States Assistant Treasurer, New York.

SIR:—I have this day telegraphed you as follows:

'After receipt of this you will please issue no more gold certificates.'

In compliance with above instructions you will not, until further advised, issue gold certificates either in payment of interest on the public debt or for gold coin deposited.

It is desired that you issue currency in payment of coin obligations to such an amount as will be accepted by public creditors.

Very respectfully, JOHN SHERMAN, Secretary.

After resumption, United States notes were in fact gold certificates, being redeemable in coin. On the 4th, I again wrote to General Hillhouse as follows:

"Your letter of yesterday is received. The necessity of the recent order about coin certificates became apparent to the department, and the only doubt was as to the date of issuing it. After full consideration, it was deemed best to make it immediate, so that no more certificates could be asked for. By the 21st of this month the large denominations of greenbacks will be ready for issue to you, and after the 1st of January they will be received for customs duties and paid out for gold coin deposited with you. I am led to suppose that considerable sums of gold coin will be deposited with you soon after that date. It is important that the business men of New York should see the propriety of such a course, with a view to aid in popular opinion the process of resumption.

"I would be pleased to hear from you as to whether any additional force in your office will be necessary in view of resumption. Every reasonable facility should be given to persons who apply for coin, and we should be prepared for a considerable demand during the first month.

"I will be in New York some time this month, and will confer with you as to any matters of detail."

I received the following reply:

OFFICE OF UNITED STATES ASSISTANT TREASURER,
NEW YORK, December 5, 1878.

SIR:—I have received your letter of the 4th instant. The issue of gold certificates, however convenient to the public, had long ceased to be of any advantage to the government, and in view of resumption it had become a positive injury, by enabling speculators to carry on their operations without the risk and expense of handling the actual coin. So far as I have discovered, the banks and the business community generally regard the withdrawal of the certificates as a wise measure. They may be put to some temporary inconvenience thereby, but they cannot fail to see that, in the use of this

and all other legitimate means of making the great scheme of resumption a success, the secretary is really promoting their interests, and that in the end they will be greatly benefited by the establishing of a sound and stable currency, which is the object in view.

* * * * * * * * *

Very respectfully, THOMAS HILLHOUSE,
Assistant Treasurer United States.

On the 5th I wrote him as follows:

"In reply to your letter of the 4th instant, inquiring whether you are at liberty to pay out the standard silver dollars in exchange for gold coin, you are authorized to pay out the standard silver dollars to any amount which may be desired in exchange for gold coin."

"In reply to your letter of yesterday, I have to advise you that it was the purpose of the order referred to to prohibit the issue of gold coin certificates for any purpose, including the redemption of called bonds. It is believed that the reasons for issuing such certificates have ceased to exist, and that those outstanding should be redeemed and not reissued.

"No public end is subserved by receiving coin deposits for private parties to be held for their benefit, but gold will be received in exchange for United States notes of any denomination desired, and such exchange is invited."

On the 18th I wrote him:

"I have concluded to direct the prepayment of the coupons maturing January 1, in coin or United States notes, *as desired by the holder*, and interest on registered stock, as soon as you can receive the schedules, which will be about the 28th. While I wish no hesitation about paying gold to anyone desiring it, it is better to get people in the habit of receiving currency rather than coin."

On the 18th General Hillhouse wrote me:

"Since my letter of yesterday gold has sold at par, the prevailing rate being one sixty-fourth to three sixty-fourths premium. The indications now are that the combinations which were presumed to be operating to keep up the premium have failed so far in their object, and that, unless some unlooked for circumstances should intervene, the premium will be more likely to fall below the present rates than to advance."

On the 27th I sent the following instructions to the treasurer:

TREASURY DEPARTMENT, December 27, 1878.

HON. JAMES GILFILLAN, Treasurer United States.

SIR:—In connection with department's circular of the 14th instant concerning the resumption of specie payments, you are directed, on and after

the 1st proximo, to keep no special account of coin with any public disbursing officer, and to close any account of that description at that time standing on your books, keeping thereafter but one money of account in your office.

Similar instructions have this day been sent to the several independent treasury officers. Very respectfully,

JOHN SHERMAN, Secretary.

On the 28th I wrote the First National Bank of New York:

"Your letter of yesterday is received. I do not see my way clear to issue another call until the one now outstanding is covered by subscription. There is still a deficit of about $4,000,000 on the 71st call. There is not, however, the slightest objection to your stating authoritatively, or, if desired, I will do so in response to a direct inquiry, that every dollar of the proceeds of four per cent. bonds sold during the present year has been applied on calls for refunding, and it is my purpose to continue this unless I give public notice to the contrary.

"I feel the more inclined to refuse to make a call by reason of the probable requisition that may be made for the Halifax award, and I do not wish by any chance to impair the resumption fund."

During the latter part of December the air was full of rumors of a combination in New York for a run upon the sub-treasury on the opening of the new year. The alarm was so great that the president of the National Bank of Commerce in that city, who was also chairman of the clearing house committee, at three o'clock p. m. on the 30th, with the advice of other bankers, sent me, by special messenger, an urgent request for the transfer to his bank, on the following day, from the sub-treasury, of $5,000,000 in gold, in exchange for a like amount in United States notes, to enable the banks, he said, to meet a "corner" in gold. To this there could be but one reply. The treasury had no power to make the transfer, even if it desired to do so. I therefore declined the proposition, and did not believe in a "corner."

During the exciting events connected with resumption and refunding I did not overlook the political condition in Ohio, and wrote a letter in regard to it, which I think proper here to insert, as it presents my view at its date:

December 26, 1878.

MY DEAR SIR: — Much obliged for your kind letter of the 21st.

My official duties engross my time so much that I scarcely catch a glimpse of home affairs by reading the newspapers, and your intelligent

view is therefore the more interesting. It seems to me that the nomination of General Garfield for governor and Foster for lieutenant governor would be a very excellent arrangement, but I understand that it is not agreeable to them. Garfield has no desire for the position, while Foster feels that he ought to head the ticket. An understanding that Garfield is to be Senator might embarrass us in certain doubtful districts, where the chief contest would be upon that office. Still such a ticket would be universally conceded to be very strong and would inspire confidence, and would be entirely satisfactory to me. Indeed, I wish to be in a condition to support our political friends in anything they may do in the convention, without taking an active part in it.

The contingency that you refer to with which my name is connected is still too remote to talk about. I never supposed that a person occupying my office, open to attack and compelled to say no to so many persons, could be sufficiently popular to justify any party in running him for the presidency, and, therefore, I have always dismissed such suggestions as the kindly compliments of the hour. Certainly it has not gained my mental consent, nor is it considered by me as one of the probabilities of the future. If I should get the maggot in my brain it would no doubt be more likely to hurt than help.

The tendency of public opinion is evidently towards General Grant, whose absence and good conduct are in his favor, while the involuntary feeling of Republicans would be in favor of nominating him as a remonstrance against the violence in the south, and notice that it must end.

However, a year hence will be time enough to settle this matter.

I send my hearty greetings for the holiday season, and remain,

Very truly yours, JOHN SHERMAN.

HON. RICHARD SMITH, Cincinnati, O.

About this time I received the following letter:

UNITED STATES LEGATION,
MEXICO, December 15, 1878.

HON. JOHN SHERMAN, Washington, D. C.

MY DEAR SIR:—Allow me to send you, as a New Year's greeting, my hearty congratulations on your successful management of our national finances and on the resumption of specie payments, which I have no doubt will be an accomplished fact when this letter reaches you.

The nation owes you a great debt for your courage, persistence and wisdom in adhering to your policy for reëstablishing and maintaining our government credit. To your conduct I attribute the present honorable position of the Republican party, more than to any other one influence. I believe that neither the country nor the party will forget your services.

Very truly, JOHN W. FOSTER.

United States Legation
Mexico. Dec. 15. 1878

Hon. John Sherman
Washington D.C.

My dear Sir: Allow me to send you, as a New Years greeting, my hearty congratulations on your successful management of our national finances and on the resumption of specie payments, which I have no doubt will be an accomplished fact when this letter reaches you.

The nation owes you a great debt for your courage, persistence and wisdom in adhering to your policy for re-establishing and maintaining our government credit. To your conduct I attribute the present honorable position of the Republican party, more than to any other one influence. I think that neither the country nor the party will forget your services.

Very truly,
John W. Foster

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CHAPTER XXXVII.

Refunding the National Debt.

Over $140,000,000 of Gold Coin and Bullion in the Treasury January 1, 1879 — Diversity of Opinion as to the Meaning of Resumption — Effect of the Act to Advance Public Credit — Funding Redeemable Bonds Into Four per Cents. — Letters to Levi P. Morton and Others — Six per Cent. Bonds Aggregating $120,000,000, Called During January, 1879 — The Sale in London — Charges of Favoritism — Further Enactments to Facilitate the Funding — Difficulty of Making Sales of Four per Cent. Bonds to English Bankers — Large Amounts Taken in the United States — One Subscription of $190,000,000 — Rothschild's Odd Claim — Complimentary Resolution of the New York Chamber of Commerce.

ON the 1st of January, 1879, when the resumption act went into effect, the aggregate amount of gold coin and bullion in the treasury exceeded $140,000,000. United States notes, when presented, were redeemed with gold coin, but instead of the notes being presented for redemption, gold coin in exchange for them was deposited, thus increasing the gold in the treasury.

The resumption of specie payments was generally accepted as a fortunate event by the great body of the people of the United States, but there was a great diversity of opinion as to what was meant by resumption. The commercial and banking classes generally treated resumption as if it involved the payment and cancellation of United States notes and all forms of government money except coin and bank notes. Another class was opposed to resumption, and favored a large issue of paper money without any promise or expectation of redemption in coin. The body of the people, I believe, agreed with me in opinion that resumption meant, not the cancellation and withdrawal of greenbacks, but the bringing them up to par and maintaining them as the equivalent of coin by the payment of them in coin on demand by the holder. This was my definition of resumption. I do not believe that any commercial nation

can conduct modern operations of business upon the basis of coin alone. Prior to our Civil War the United States undertook to collect its taxes in specie and to pay specie for its obligations; this was the bullion theory. This narrow view of money compelled the states to supply paper currency, and this led to a great diversity of money, depending upon the credit, the habits and the wants of the people of the different states. The United States notes, commonly called greenbacks, were the creature of necessity, but proved a great blessing, and only needed one attribute to make them the best substitute for coin money that has ever been devised. That quality was supplied by their redemption in coin, when demanded by the holder.

The feeling in the treasury department on the day of resumption is thus described by J. K. Upton, assistant secretary, in an article written at the close of 1892:

"The year, however, closed with no unpleasant excitement, but with unpleasant forebodings. The 1st day of January was Sunday and no business was transacted. On Monday anxiety reigned in the office of the secretary. Hour after hour passed; no news came from New York. Inquiry by wire showed all was quiet. At the close of business came this message: '$135,000 of notes presented for coin — $400,000 of gold for notes.' That was all. Resumption was accomplished with no disturbance. By five o'clock the news was all over the land, and the New York bankers were sipping their tea in absolute safety.

"Thirteen years have since passed, and the redemption fund still remains intact in the sub-treasury vaults. The prediction of the secretary has become history. When gold could with certainty be obtained for notes, nobody wanted it. The experiment of maintaining a limited amount of United States notes in circulation, based upon a reasonable reserve in the treasury pledged for that purpose, and supported also by the credit of the government, has proved generally satisfactory, and the exclusive use of these notes for circulation may become, in time, the fixed financial policy of the government."

The immediate effect of resumption of specie payments was to advance the public credit, which made it possible to rapidly fund all the bonds of the United States then redeemable into bonds bearing four per cent. interest. Early in January, 1879, I issued a circular offering the four per cent. funded loan of the United States at par and accrued interest to date of subscription in coin. It was substantially similar to

the one issued on the 16th of January, 1878, but graded the commission, allowing from one-eighth of one per cent. to one-fourth of one per cent., according to amount subscribed.

Several letters written about this date will show my view better than anything I can say now:

WASHINGTON, D. C., January 6, 1879.

DEAR SIR:—Your note of the 2nd was received upon my return from the west.

Much obliged for subscription, and hope that you will soon get above the ten millions and thus be entitled to the additional one-tenth. I cannot, however, allow it on the first ten millions without adopting it as a rule, which would be impossible, by reason of the limitation of the entire cost to one-half of one per cent. I may be compelled to allow the one-eighth commission down to $1,000, but perhaps not, as I have to carefully husband the limited fund out of which all expenses must be paid. With the energy and hopefulness now exhibited, we can easily refund the 5-20's within this year and, perhaps, within six months. The more rapid the process the less disturbance it will create. I am hopeful and sanguine of improving business, not that greenbacks will be so abundant, but that employment will be ready for everyone willing to work.

Thanks for your congratulations, which I heartily reciprocate, for the syndicate are entitled to a large portion of the merit now given to me. As I got more than my share of the abuse, it is probably thought that I should get more than my share of the credit. Very truly yours,

JOHN SHERMAN.

HON. L. P. MORTON, New York.

WASHINGTON, D. C., January 8, 1879.

R. C. STONE, ESQ., Secretary Bullion Club, New York.

DEAR SIR:—Your letter of the 5th inst., inclosing a card of invitation from the Bullion Club, to attend their dinner at their club house on Thursday evening, the 16th inst., is received.

I regret that my official duties will not permit me, in person, to respond to the toast you send me, and I cannot do so, by letter, in words more expressive than the toast itself, 'To Resumption—may it be forever.'

Irredeemable money is always the result of war, pestilence, or some great misfortune. A nation would not, except in dire necessity, issue its promises to pay money when it is unable to redeem those promises. I know that when the legal tenders were first issued, in February, 1862, we were under a dire necessity. The doubt that prevented several influential Senators, like Fessenden and Collamer, from voting for the legal tender clause, was that they were not convinced that our necessities were so extreme as to demand the issue of irredeemable paper money. Most of those who voted

for it justified their vote upon the ground that the very existence of the country depended upon its ability to coin into money its promises to pay. That was the position taken by me. We were assured by Secretary Chase that nearly one hundred millions of unpaid requisitions were lying upon his table, for money due to soldiers in the presence of the enemy, and for food and clothing to maintain them at the front. We then provided for the issue of legal tender United States notes, as an extreme remedy in the nation's peril. It has always seemed strange that so large and respectable a body of our fellow-citizens should regard the continuance of irredeemable money as the permanent policy of a nation so strong and rich as ours, able to pay every dollar of its debts on demand, after the causes of its issue had disappeared. To resume is to recover from illness, to escape danger, to stand sound and healthy in the financial world, with our currency based upon the intrinsic value of solid coin.

Therefore I say, may resumption be perpetual. To wish otherwise is to hope for war, danger and national peril, calamities to which our nation, like others, may be subject, but against which the earnest aspiration of every patriot will be uttered. Very respectfully yours,

JOHN SHERMAN.

January 10, 1879.

H. C. FAHNESTOCK, ESQ.,

Vice President First National Bank, New York.

SIR:—Your unofficial letter of the 9th inst., suggesting the danger that may arise from the very large and rapid subscriptions to the four per cent. bonds, is received.

The danger is apparent enough to all, and certainly to those who purchase without ability to pay at the time stipulated, but it is not one that the government can guard against, except only by taking care to have ample security for each subscription.

In the face of the advertisement now outstanding, I could not withdraw the money from deposit with subscribing banks, until at or near the time of the maturity of the call, when they must be prepared to pay. It is not the interest of the government to force subscriptions beyond the ability of investors, but we cannot check subscriptions by any violation of the public advertisement or any public caution against the danger that is open to everyone. Very truly yours,

JOHN SHERMAN.

WASHINGTON, D. C., January 13, 1879.

GEORGE KERR, ESQ., Janesville, Bremer Co., Iowa.

SIR:—I have received your letter of the 6th instant inclosing a slip cut from the Bremer County 'Independent,' a weekly paper published in Waverly, containing a statement to the effect that the First National of New York is enjoying, from the department, special privileges in the matter

of holding public moneys on account of subscriptions to the four per cent. consols of 1907, and receiving from the government unusual commissions on subscription.

It is needless to say to you that the statement is entirely erroneous from beginning to end.

In the department's circular of the first instant, a copy of which is herewith inclosed for your information, *all* national banks are invited to become financial agents, and depositaries of public moneys received on account of the sale of these bonds, and the commissions allowed on subscriptions are plainly stated therein. Over one hundred (100) national banks have been thus designated as depositaries for the purpose mentioned, and all are treated precisely alike, both as to commissions allowed and balances held.

The First National Bank of New York enjoys, as a United States depositary, no special privileges whatever from the department. It has, however, thus far, subscribed for a larger amount of four per cent. bonds than any other bank, and has, consequently, received a larger amount for commissions. But any other bank subscribing for the same amount of bonds would, of course, receive the same amount for commissions.

Very respectfully, JOHN SHERMAN, Secretary.

TREASURY DEPARTMENT,
WASHINGTON, D. C., January 14, 1879.

H. C. FAHNESTOCK, ESQ., New York.

DEAR SIR:—Your note of the 13th instant is received.

In buying the fours thrown upon the market, you are rendering as much service to the government as if you bought directly. Indeed, I am glad you are buying from the market rather than from the department. I do not wish to force this refunding operation too much, lest it may embarrass resumption. I only fear that some eager parties may subscribe for more than they can sell and pay for by called bonds or coin within the running of the call. This is the only contingency that disturbs me.

Very respectfully. JOHN SHERMAN.

My published correspondence shows that with all the efforts and strength of the department it was impossible to keep up with the subscriptions for bonds pouring in from all parts of the United States and from Europe. Over sixty millions were subscribed for in the first two weeks of January. Offers made by me in December, though not accepted at the time, were made the grounds of demands in January, when conditions had greatly changed. As the money received for four per cent. bonds sold could not be applied to the payment of six per cent. called bonds until interest on such bonds ceased, ninety days after the call, I feared that the enormous deposits would

create a serious stringency in the money market, and perhaps cause a panic after the first of April. The banks and bankers in New York, as well as in other large cities of the United States, were actively competing to swell these subscriptions, so as to get the larger commission offered for the greater amount of bonds sold. Such a contest occurred between the First National Bank of New York, and Seligman & Co., and their associates. It ended in a contract made on the 21st of January, between the Secretary of the Treasury and the former syndicate, by which the latter subscribed for $10,000,000 of four per cent. bonds, on the terms stated in my circular of January 1, and $5,000,000 per month thereafter, the secretary reserving the power to terminate the contract.

On the same day a call was made for $20,000,000 of six per cent. bonds. Another call for a like amount was made on the 28th. The aggregate call for six per cent. bonds in January was $120,000,000.

Charles F. Conant was again appointed as the funding agent of the treasury department, and directed to assume the general management and supervision of all business in London arising from the funding of bonds. He was instructed to advise me frequently as to the condition of the business intrusted to him.

The object of this sale of bonds in London was stated in the public prints, and also in the following letter:

TREASURY DEPARTMENT, January 22, 1879.

CHARLES M. FRY, ESQ.,

President Bank of New York, National Banking Association, New York.

SIR: — Your telegram was received yesterday.

The syndicate arrangement was confined to the sale of bonds in Europe, where it is deemed important to sell bonds partly to cover called bonds held abroad; and a contract has been made with bankers having houses in London, on precisely the same terms as were extended to all in this country. It was thought that this would be best for the domestic loan. No contract or arrangement will be made to interfere in any way with the free, open, popular subscriptions in the United States.

I am glad to notice your success and will give you every facility that is extended to anyone else.

Very respectfully,

JOHN SHERMAN, Secretary.

The sale in London was fully justified when the called bonds matured, and those held abroad were paid for without the exportation of coin. It was my desire to secure the exchange of four per cent. bonds directly with the holders of the six per cents. For this purpose I invited, by a department order widely circulated, such an exchange, allowing to the holder of any six per cent. bond, whether called or uncalled, the same commission and allowance for interest granted to banks and bankers. By these expedients I hoped for, and succeeded in conducting, the change of bonds without disturbing the ordinary current of business.

The process of refunding the 5-20 six per cent. bonds, by the sale of four per cent. bonds, went on with some fluctuations until the 4th of April, 1879, when all the six per cent. bonds then redeemable were called for payment. This period in the magnitude of business done was far the most active and important while I was Secretary of the Treasury. The struggle between banks and bankers, not only in the United States but in London also, gave rise to many questions which had to be promptly acted upon, chiefly by cable or telegram. The amounts involved were so large as to induce caution and care. The principal difficulty in refunding arose out of the provision in the act of Congress that ninety days' notice should be given, to the holder of bonds, by the government, when it exercised its option to pay, after five years, any portion of the bonds known as the 5-20 bonds, payable in twenty years but redeemable after five years. Prudence required the actual sale of four per cent. bonds before a call could be made or notice given to the holders of the 5-20 bonds, designated by description and numbers, of the intention of the government to pay them. When sales were made the money received was deposited in the treasury of the United States, or with national banks acting as public depositaries, which were required to give security for such deposits.

The necessary effect of the deposit of the large amounts involved in refunding operations was to create a stringency in the money market. I early called the attention of Congress to this difficulty, but had doubts whether the government

would be justified in repealing the law requiring ninety days' notice. This provision was a part of the contract between the government and the bondholder, and could only be changed by the consent of both parties. Congress failed to act upon my suggestion. The interest accruing for ninety days at six per cent., or one and a half per cent. on the great sums involved, was a loss to the government but a gain to the banks or bankers that sold the bonds. The syndicate of bankers engaged in the sale of bonds chose the First National Bank of New York as their depositary. The department was indifferent where the deposits were made so that they were amply secured. Other banks and bankers engaged in the sale of bonds chose their own depositaries, and thus an active competition was created in which the department took no part or interest.

This struggle led to charges of favoritism on the part of the department, but they were without the slightest foundation. Every order, ruling and letter was fully discussed and considered by the Secretary and other chief officers of the treasury, and also by General Hillhouse, assistant treasurer at New York, and is in the printed report of the letters, contracts, circulars and accounts relating to resumption and refunding made to Congress on the 2nd of December, 1879.

The charge was especially made that favor was shown the First National Bank of New York, of which George F. Baker was president and H. C. Fahnestock was vice president. It was said that I was a stockholder in that bank, and that I was interested in the syndicate. It is scarcely necessary for me to say, as I do, that these charges and imputations were absolutely false. This bank and the associated bankers sold larger amounts of four per cent. bonds than any others and received a corresponding commission, but, instead of being favored, they were constantly complaining of the severity of the treasury restrictions. Rothschild, the head of the great banking house in London and the chief of the syndicate, especially complained of what he called the "stinginess" of the treasury department. I can say for all the officers of the treasury that not one of them was interested in transactions growing out of

resumption or refunding, or did or could derive any benefit therefrom.

The rapid payment of the 5-20 bonds had a more serious effect upon the English market than upon our own. Here the four per cent. bonds were received in place of the six per cent. bonds, no doubt with regret by the holders of the latter for the loss of one-third of their interest, but accompanied by a sense of national pride that our credit was so good. In London the process of refunding was regarded with disfavor and in some cases by denunciation. On the 4th of March Secretary Evarts wrote me the following letter:

DEPARTMENT OF STATE,)
WASHINGTON, March 4, 1879.)

HON. JOHN SHERMAN, Secretary of the Treasury.

SIR:—I have the honor to transmit herewith, for your information, a copy of a dispatch No. 928, dated February 12, from the consul general at London, in which the department is advised that there exists dissatisfaction, among certain holders of 5-20 bonds of the issue of 1867, with the rapidity with which the government is refunding its debt at a lower rate of interest, and that it is the purpose of such holders to demand payment of their called bonds in coin. I have the honor to be, sir, your obedient servant.

WM. M. EVARTS.

This demand was easily met by the sale of four per cent. bonds in London, and the balance of trade in our favor was increasing. The anticipated movement of gold did not occur.

Congress, by the act approved January 25, 1879, extended the process of refunding to the 10-40 bonds bearing interest at the rate of five per cent., amounting to $195,000,000 as follows:

AN ACT TO FACILITATE THE REFUNDING THE NATIONAL DEBT.

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Treasury is hereby authorized, in the process of refunding the national debt under existing laws, to exchange directly at par the bonds of the United States bearing interest at four per centum per annum, authorized by law, for the bonds of the United States commonly known as 5-20's outstanding and uncalled, and, whenever all such 5-20 bonds shall have been redeemed, the provisions of this section, and all existing provisions of law authorizing the refunding of the national debt, shall apply to any bonds of the United States bearing interest at five per centum per annum or a higher rate, which may be redeemable. In any exchange made under the provisions of this section interest may be allowed, on the bonds redeemed, for a period of three months."

On the 26th of February the following act was passed:

AN ACT TO AUTHORIZE THE ISSUE OF CERTIFICATES OF DEPOSIT IN AID OF THE REFUNDING OF THE PUBLIC DEBT.

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Treasury is hereby authorized and directed to issue, in exchange for lawful money of the United States that may be presented for such exchange, certificates of deposit, of the denominations of ten dollars, bearing interest at the rate of four per centum per annum, and convertible at any time, with accrued interest, into the four per centum bonds described in the refunding act; and the money so received shall be applied only to the payment of the bonds bearing interest at a rate of not less than five per centum in the mode prescribed by said act, and he is authorized to prescribe suitable rules and regulations in conformity with this act."

On the 4th of March, 1879, the amount of uncalled 5-20 six per cent. bonds outstanding was $88,079,800. Anticipating that sales of four per cent. bonds would continue, I gave the following notice:

"Notice is given that when the 5–20 six per cent. bonds of the United States are covered by subscriptions to the four per cent. consols, the latter will be withdrawn from sale upon the terms proposed by department circular of January 1, 1879, and upon the terms stated in the contract with the Messrs. Rothschild and others, of the date of January 21, 1879. The amount of 5–20 six per cent. bonds outstanding and embraced in calls to this date is $88,079,800. When this sum is covered by subscriptions under the existing circular and contract, all further sales of four per cent. consols, to provide for the refunding of the 10–40 five per cent. bonds, will be made upon terms which will probably be less favorable to the purchaser, and in accordance with new proposals and contracts. This notice is given so that all parties wishing to subscribe for consols upon the terms stated in the circular and contract may have an opportunity to do so until the 5–20 bonds are called."

In giving this notice I had in view a change in the mode of refunding which would save to the government the whole or large part of the three months' interest pending the call. This notice gave an additional spur to the market for four per cent. bonds. Copies of it were sent to Mr. Conant and to all parties interested in pending operations, and due notice was given to all persons and corporations engaged in the sale of bonds that all existing contracts would terminate when the 5–20 bonds were covered by subscriptions.

At this time there was a good deal of anxiety as to the effect of the large sale of four per cent. bonds. If these could be exchanged, par for par for six per cent. bonds, the operation would be easy, but many holders of called bonds would not accept the lower rate of interest and invested the principal of their bonds in other securities. General Hillhouse, on the 8th of March, expressed the common feeling as follows:

"There is a good deal of speculation in the papers, as well as in business circles, as to the probable effect on the money market of the settlements to be made in April, during which month, if I am not mistaken, about $150,000,000 of calls will mature. It is now seen, however, that investment demand for the fours is much larger than was anticipated by many; and the subscribing banks will be, therefore, likely to find themselves loaded with large amounts which they cannot dispose of. It would not be strange, in the closing of such vast transactions, if there should be some stringency, but with the favorable indications, that the public are taking the bonds freely, and with the power of the secretary in various ways to facilitate the settlements, it can hardly be more than temporary."

Mr. Conant wrote me, on March 8, from London:

"I have called on all the members of the syndicate several times within the past few days, and have urged them very strongly to push the sales of the bonds here. I have persistently tried to persuade them that they ought to conduct the business with far more energy, and I have said to them that, at the time the contract was entered into, representations were made to you that $50,000,000 of the four per cent. consols could be disposed of on this side of the Atlantic, and that as they had undertaken the business they should not disappoint you. I have represented to them the importance of preventing the shipments of gold from New York, and that you supposed that the sales of bonds which you expected they would make would prevent such shipments. . . .

"The feeling which I alluded to in my last letter, that when the time arrives for the settlement of the large subscriptions made in New York and elsewhere at home the market will be found overloaded, and that a fall in price will take place, still exists here, and has the effect of causing certain classes of investors to delay making purchases, which they will ultimately make. I have not hesitated to say to the associates here that when refunding operations shall have been completed the four per cent. consols will soon thereafter go to a premium, and good reasons can be given why such should be the case."

Soon after I commenced receiving prophecies of stringency and disaster. A long letter from Fisk & Hatch, of New York, said that general apprehension had been growing up in financial

circles, and was rapidly gaining ground, that the settlements by the national banks with the treasury department, in April and May, for the large subscriptions of four per cent. bonds made in January and February, would occasion serious disturbance and embarrassment in the money market. They advised me to pursue a course that, whether proper or not, was not in accordance with law. Mr. L. P. Morton, on the same date, took a milder view of it, but still suggested a remedy not within my power.

On the 13th, General Hillhouse, in referring to the apprehensions of my correspondents in regard to the settlements in connection with refunding, said that they might be caused in some instances by the suspicion, if not by the conviction, that their subscriptions had been carried beyond the point of absolute safety, "and now that settlement day is approaching, they are naturally desirous of ascertaining how far they can count on the forbearance of the government."

This was the same view I had taken of the matter. I did not feel myself officially bound to do anything but to require prompt payment for the bonds subscribed. The treasury, however, was well prepared for any probable stringency, and I was convinced that the settlements would not cause any serious disturbance. The advices from London continued to be unfavorable. The bonds were offered in the market in some cases at a less price than the syndicate were to pay for them.

In the process of selling the four per cent. bonds I had frequently been written to by persons of limited means, who wished to invest their savings in government bonds of small denominations bearing four per cent. interest. I called the attention of the proper committee of each House to the expediency of issuing notes or certificates of that description, and the act of February 26, 1879, already quoted, was passed.

On the 26th of March I issued a circular relative to these certificates, prescribing the manner in which they should be sold, and stated the purpose and probable effect of their issue, as follows:

"The primary purpose of these certificates is to enable persons of limited means to husband small savings as they accrue, and place them where

they will draw interest and become the nest egg for future accumulations. The form of certificate seems better adapted for the purpose than the French *rentes* or the English savings bank system. The objection to a national savings bank is that, in a country so extensive as ours, the agencies would necessarily be scattered, and the cost and delay of correspondence and transferring money to Washington would be considerable; but, more than all, the United States cannot undertake the risk of repaying deposits at any time when called for. The necessary reserve for that purpose would make the system burdensome. The certificate, as issued, may, at the expense of the subscriber, be either to bearer, or, by being registered, only transferable by assignment on the books of the treasury. It combines, in the cheapest form, all the benefits of any system of savings banks that has been devised. No doubt these certificates, when first issued, will, by voluntary consent of parties, be used as currency; but, after they shall have run a short time, the accruing interest on them will induce their sorting and holding, and thus, like the compound-interest notes, they will cease to be a currency and become an investment. Their possible use as currency is certainly no objection to them; for, though I adhere as strictly as anyone to a specie standard of value, I think that, it being constantly maintained by ample reserves and prompt redemption, current money in different forms should be provided for daily use. Diversity of the currency, if it is always redeemable, is no objection. These certificates will always be redeemable in the bonds stipulated for, and can, with profit, be issued, while the money received for them can be used in redeeming bonds bearing a higher rate of interest. They are of as low a denomination as can be conveniently issued and bear interest. The issue of this certificate is a safe experiment. I have confidence that it will be beneficial to the holder, in begetting habits of saving, and to the treasury, in aiding refunding; but its great benefit will be that the people themselves will in this way gradually become the holders of our public securities, and will have a direct interest in preserving and maintaining the public faith."

On the same date I wrote a note for publication to the treasurer of the United States, to facilitate the payment of called bonds, as follows:

"As it is desirable to make payment of called bonds in the mode that will least disturb the market, you will draw from the depositary banks the proceeds of four per cent. bonds only when required to make payment of called bonds, and in proportion from the several depositaries to the amounts held by them, as near as may be, in sums of $1,000. Money in the treasury received from four per cent. bonds should be applied to the payment of called bonds before such drafts are made.

"When practicable, drafts upon depositary banks, for transfers of deposits on account of proceeds of four per cent. bonds, may be so drawn as

to be payable at the option of the bank, through the New York clearing house.

"Drafts on depositary banks in cities other than New York should be drawn a sufficient time in advance to meet payments there.

"Payment by called bonds should be treated as payment in money as of the date when it would, under this order, be required."

On the 27th I received from Conant the following cablegram:

"Would be pleased to know if subscriptions to be settled during April can be expected without disturbing market in New York."

I answered on the same day as follows:

"Entirely confident subscriptions during next month will be settled without disturbing market. Order of the treasury department yesterday will facilitate greatly."

The following correspondence with Conant, the syndicate and myself then took place:

LONDON, March 28, 1879.

SHERMAN, Washington.

Rothschild & Sons request me to say they do not consider contract of January 21, 1879, requires subscription two million to be made April 1. On account of market price below par at the present time they desire delay subscription few days. Hope you will consent. CONANT.

TREASURY DEPARTMENT, March 28, 1879.

CONANT, London.

I think contract of January 21, 1879, very plain, subscription should be made April 1, but, if they desire, time will be extended to April 8.

SHERMAN.

TREASURY DEPARTMENT, March 28, 1879.

AUGUST BELMONT & Co., New York.

GENTLEMEN:—In confirmation of my two telegrams of to-day to you, copies of which are inclosed, I have to inform you that the proper legal officers of the department, as well as myself, consider it very clear that, under the contract of January 21, your option to make the second subscription expires on the 1st of April, but I am not at all desirous of raising the question, and therefore am willing to extend the time a week, within which I am quite confident the anxiety about the April payments will begin to subside. Thus far this week, over $17,000,000 called bonds have been redeemed by credit on subscriptions, and $450,000 only paid by draft. Called bonds are rapidly coming in for credit. The subscriptions in excess of bonds called now

amount to $6,600,000. With an assurance of a subscription of $2,000,000 from you, by the 1st, or even the 8th, of April, I would immediately issue a call for $10,000,000, and may do so without waiting for your subscription.

I would prefer that the parties to the contract should not avail themselves of the extension offered, but leave that entirely to your good judgment.

Very respectfully, JOHN SHERMAN, Secretary.

(Telegram.) TREASURY DEPARTMENT, March 28, 1879.

AUGUST BELMONT & Co., New York.

The contract is very plain that the first subscription should be made by April 1. The stipulation for five million each month would have made the second subscription in February or March, but, by the agreement, it need not be made before April 1. JOHN SHERMAN, Secretary.

NEW YORK, March 28, 1879.

HON. JOHN SHERMAN, Secretary of the Treasury, Washington, D. C.

DEAR SIR :— We received this morning a telegram from Messrs. Rothschild about the next subscription under the contract of the 21st of January, and telegraphed its contents to you, as follows :

'London associates telegraph consider according contract have all month April to make next subscription. Please telegraph whether you agree they are right.'

In reply we received your telegrams reading :

'The contract is very plain that the next subscription should be made by April 1. The stipulation for five million each month would have made the second subscription in February or March, but by agreement it need not be made before April 1.'

and—

'Have cabled Conant to extend option, if desired, to April 8.'

contents of which we have communicated to our London friends.

Yours, very respectfully,

Pro AUGUST BELMONT & Co.
W. SUTTGEN.
W. BEUTER.

The explanation of these cablegrams is given in the following letter:

NEW COURT, ST. SWITHIN'S LANE,
LONDON, E. C., ENGLAND, March 29, 1879.

DEAR MR. SECRETARY :—On the 27th instant I had the honor to make an inquiry of you by cable dispatch, as follows : 'Would be pleased to know if subscriptions to be settled during April can be effected without disturbing market in New York.' The constant decline in the price of all descriptions of our bonds in New York, the strenuous efforts being made by certain parties to sell American bonds here at low rates on home account, particularly the four and four and a half per cent. stock, the advancing rates of

interest, and the condition of the exchanges, together with the rumors concerning scarcity of money in New Orleans and elsewhere, gave rise to apprehensions, in the minds of many, that refunding operations had been carried to too great an extent; that too many bonds had been subscribed for on speculative account, and that any forced settlement of the subscriptions falling due in April would produce a panic. Private telegrams sent here conveyed information to the effect that arrangements would be made between yourself and the banks, by which the deposits in them would not be drawn upon until absolutely necessary. The answer, however, which I received from you a few hours later was highly gratifying and reassuring, and I gave it as much publicity as possible without, of course, publishing it. It reads as follows: 'Entirely confident subscriptions during the next month will be settled without disturbing the market. Order treasury department yesterday will facilitate greatly.'

The question of obligation to make a subscription on the 1st day of April to continue the contract has been under consideration by the syndicate during the past week, and in fact ever since the beginning of the decline in the price of the four per cent. stock. The associates claim that they are only required to take five millions of the bonds during the month of April, and that having already taken three-fifths of the amount in advance, they should, in view of the impossibility of disposing of the stock at present prices, be allowed the balance of the month in which to subscribe for the remaining two millions. They argue that it cannot be expected that they can afford to take the bonds and pay the government one and a half per cent. above the market prices, and they add that they do not think you would wish to have them do so. They also say that if they wanted the bonds for *speculative purposes only* they should give up the contract and purchase in the open market; but their policy is to keep the price at par and not to buy or sell when it is below par. Bonds will sell more rapidly when they are at par than when below it. It is the speculators and not the investors, as a rule, who deal in stocks when they are cheap. If the price of the bonds had remained at par, I have no doubt but that all the bonds I have here would already have been disposed of, and that the parties would have been ready and willing to make the subscription for five millions on April 1.

The Messrs. Rothschild say that, owing to the high price which they were compelled to pay for called bonds, and the reduced price at which they were compelled to part with a portion of the four per cent. bonds, they have made a slight loss on their transactions so far. They like to have business relations and connections with governments, and I think that that disposition on their part is paramount to the question of profits. The matter of the subscription was discussed again yesterday, and deferred until Monday for further consideration, and I was asked to send the following cable message to you:

'Rothschild & Sons request me to say they do not consider contract of January 21, 1879, requires subscription $2,000,000 to be made April 1.

On account of market price below par at the present time, they desire delay subscription few days. Hope you will consent.'

I hoped you would consent, because I think it quite important, for many reasons, that we should dispose of bonds on this side of the water. They take the place of actual gold in settling exchanges, and thereby prevent the disturbances in the money market which always result from the moving of bullion. I have no doubt but that the use of these bonds in this manner has stimulated purchases of grain and produce from us which would never have left our shores if payment for the same could only have been made in bullion. I received this morning your cable message in answer to the one I sent yesterday, as follows:

'I think contract of January 21, 1879, very plain. Subscriptions should be made April 1; but, if they desire, time will be extended to April 8.'

* * * * * * * * *

With great respect, I remain, yours truly,

CHAS. F. CONANT.

HON. JOHN SHERMAN.

I have set out in full this correspondence with Rothschild and his associates and with Conant, to show that on the eve of complete success they were discouraged and asked for a postponement of, to them, the small subscription of $1,000,000, and did not even think of taking the option of $10,000,000 of bonds subsequently claimed.

With the 1st of April all stringency disappeared. Accounts were settled without difficulty. The amount of four per cent. consols sold to March 31, inclusive, was $473,443,400.

On the 4th of April, while attending a meeting of the cabinet, I was handed the following telegram:

NEW YORK, April 4, 1879.

HON. JOHN SHERMAN, Secretary of the Treasury, Washington, D. C.

National Bank of Commerce in New York subscribes for forty million dollars four per cent. bonds. Particulars and certificates by mail.

HENRY F. VAIL, President.

I thought the amount was a mistake, that four instead of forty was meant. I replied as follows:

HENRY F. VAIL, President National Bank of Commerce, New York.

Before making call I prefer you repeat your subscription.

A few moments after sending this telegram I received the following from Mr. Vail:

"I sent you telegram to-day, which from its importance I beg you will telegraph me acknowledgment of its receipt."

I replied:

"Your telegram is received, and I have asked repetition of it before making call."

The following telegraphic correspondence then occurred:

HON. JOHN SHERMAN.

Please enter to-day for us a subscription for ten millions dollars four per cents. making, however, no announcement until we see you to-morrow.

G. F. BAKER, President First National Bank, New York.

HON. JOHN SHERMAN.

We have taken two millions subscriptions to-day thus far, and more to follow. E. D. RANDOLPH,

President Continental National Bank, New York.

NEW YORK, April 4, 1879.

HON. JOHN SHERMAN.

Your two telegrams received. I hereby confirm my telegram of to-day, subscribing, in name of National Bank of Commerce in New York, for forty millions dollars four per cent. bonds.

HENRY F. VAIL, President.

HENRY F. VAIL, President National Bank of Commerce, New York.

Your subscription for forty millions four per cent. bonds, having been repeated by telegram, is accepted. A call will issue to-day for the balance of the sixty-sevens and to-morrow a call will issue for the whole of the sixty-eights. JOHN SHERMAN, Secretary.

E. D. RANDOLPH, President, etc., New York.

Your two million subscription received and accepted, but can accept no more. All 5–20's are covered. JOHN SHERMAN, Secretary.

NEW YORK, April 4, 1879.

HON. JOHN SHERMAN.

We subscribe for three millions more, making five in all.

F. TAYLOR, Cashier Continental National Bank.

TREASURY DEPARTMENT, April 4, 1879.

F. TAYLOR, Cashier Continental National Bank, New York.

Your subscription for three millions arrived too late; all the 5–20's have been covered by previous subscriptions.

JOHN SHERMAN, Secretary.

A similar telegram was sent to the Continental National Bank of New York, which subscribed $25,000,000 additional

the Hanover National Bank of New York, $25,000,000, and the New York National Banking Association, $2,000,000.

I then telegraphed to Mr. Conant as follows:

"Subscriptions have been made covering all 5 20 bonds (consols of 1867 and consols of 1868) outstanding, reserving for contracting parties the one million not subscribed for.

"Inform the contracting parties and accept no new subscriptions."

On the 4th of April, 1879, I had the satisfaction of issuing the 95th and 96th calls for 5–20 bonds, covering all the bonds outstanding issued under the act of March 3, 1865, and the last of the United States 5–20 bonds. The early twenty year bonds, issued during the first two years of the Civil War, were not yet due or redeemable and, therefore, could not be called for payment. This was a practical illustration of the importance, in issuing government securities, of reserving the right to redeem them before maturity.

The rapid and irregular subscriptions made on the 4th of April involved the department in serious difficulty in determining who of the many subscribers were entitled to the bonds. The aggregate of subscriptions was more than double the amount of 5–20 bonds outstanding. By adopting a rule of accepting bids made before a fixed hour of that day, and by voluntary arrangements among the bidders, a distribution was made.

The only serious controversy in respect to this distribution was upon the claim of the Rothschilds that they had options extending to the 30th of June for ten millions of bonds, and for one million extended from April 1 to April 8. The latter was allowed, but the department held that the option for ten millions June 30 was dependent upon whether the bonds were previously sold, and this occurred on the 4th of April. This gave rise to a controversy which was settled by the voluntary transfer, by the National Bank of Commerce, of ten millions of the forty millions bonds subscribed for by it. Rothschild, the head of the house, would not accept this offer, but, with some show of resentment, declined to receive his share of the bonds, but they were eagerly taken by his associates.

The 5–20 bonds having been paid off or called, the department proceeded, as soon as practicable, to execute the laws of January 25 "to facilitate the refunding the national debt," and February 26 "to authorize the issue of certificates of deposit in aid of the refunding of the public debt."

On the 16th of April I published the offer of $150,000,000 four per cent. bonds at one-half of one per cent. above par and accrued interest, and reserved $44,566,300 of these bonds for the conversion of ten dollar refunding certificates.

The following telegrams, addressed to the Secretary of the Treasury on the 17th of April, tell the result:

From the Bank of New York National Banking Association, New York:

"Send two millions four per cent. bonds under terms of to-day's dispatch."

From Chase National Bank, New York:

"We have subscribed for half million dollars four per cent. bonds on terms just issued. Can we deposit our securities at the treasury here, as heretofore?"

From First National Bank, New York:

"Please enter subscription this date for ten million dollars, and reserve further amount of fifteen millions, awaiting our letter. Please make no announcement of either to-day, for reasons will explain."

From Bank of New York National Banking Association, New York:

"Send seventy-five certificates ten thousand each, fifty of five thousand each, four per cents., in name of I. & S. Wormser. Also four hundred bonds five hundred each, three hundred of one thousand each; in all, one million five hundred thousand. Certificate deposit by mail."

From Baltzer and Lichtenstein, New York:

"We subscribe to-day through the National Bank of the state for one million fours."

From National Bank of the State of New York:

"We confirm dispatch of Baltzer and Lichtenstein ordering one million four per cent. consols, and order, in addition to that and our previous dispatch, one million more, half each coupon and registered."

Bank of New York National Banking Association, New York:

"We take two million more fours; particulars later."

From National Bank of the State of New York:

"Please forward immediately four million United States four per cent. consols."

* * * * * * * * *

"Please forward three hundred thousand registered and two hundred thousand coupon four per cent. consols. Particulars by mail."

* * * * * * * * *

"Please forward one million four per cent. consols coupons."

* * * * * * * * *

"Please forward immediately fifteen hundred thousand United States four per cent. consols additional to all former subscriptions."

From Bank of New York National Banking Association:

"Send one hundred and twenty certificates, ten thousand each, in name of I. & S. Wormser; also eight hundred coupon bonds, one thousand each, in all, two million fours. Certificate by mail."

* * * * * * * * *

"We subscribe for four millions fours; this is in addition to all other telegrams. Certificates by mail."

From Continental National Bank, New York:

"We subscribe to-day two million four per cents., name Hatch & Foote. Particulars by mail."

From First National Bank, New York:

"Please enter our subscription under this date for one hundred and fifty million dollars four per cent. bonds and forty million dollars refunding certificates, in all, one hundred and ninety million dollars, under terms of your circulars of April 16 and March 7. These subscriptions for this bank and its associates. Will see you to-morrow morning. This is repetition of dispatch sent to the department."

From National Bank, State of New York:

"Confirming previous dispatches covering subscriptions of seven millions five hundred thousand dollars to four per cent. loan, please forward additional two millions coupon bonds."

From Bank of New York National Banking Association:

"We subscribe for one million four per cents. Certificates of deposit by mail to-morrow."

From National Bank, State of New York:

"Please forward immediately one million more United States four per cent. consols, making a total, together with former subscriptions, of ten million five hundred thousand."

I sent the following telegram to the First National Bank of New York:

"Your telegram covering one hundred and ninety million consols staggers me. Your telegram for twenty-five million received, and entered at two o'clock. About thirty million from other parties were received and entered before your last telegram. Will wait till letters received. What is the matter? Are you all crazy?"

On the 18th the bids were carefully analyzed and accepted in the order in which they were received. The bid of the First National Bank was made on behalf of an association of banks and bankers. I declined their offer for refunding certificates and accepted their offer for $111,000,000.

I wrote to Conant, April 18, as follows:

"Since I wrote you the letters yesterday respecting the recent circular of April 16, I have sold the whole of the $150,000,000 of bonds offered therein; $39,000,000 were sold to sundry banks in the city of New York, and the residue, $111,000,000, were sold to an association of banks and bankers through the First National Bank. This unexpected and agreeable *denouement* of our refunding operations will supersede much that I have written you. I received and answered your telegram of to-day. Arrangements will be made with the new associates for delivery of four per cent. consols and the receipt of called bonds in London.

"Although I have given notice that I will feel at liberty to do so after the 4th of May, I prefer that you will postpone any new arrangement for delivery to other parties until the 10th; hoping that before that time Messrs. J. S. Morgan & Co. will be able to close out the balance of their last subscription."

On the same day I made a call for $160,000,000 10-40 bonds, being all of such bonds outstanding, except an amount that would be covered by the proceeds of ten dollar refunding certificates. The sale of these certificates gave the department a great deal of trouble. The object and purpose of the law was to secure to persons of limited means an opportunity to purchase, at par, certificates of indebtedness bearing four per cent. interest. As they could be converted at pleasure into 10-40 bonds of small denominations, it was thought they would be promptly taken by the persons for whom they were designed. They were sold in limited amounts to individuals at post offices, but as they were, when converted into bonds, worth a premium, bankers and others hired men to stand in line and purchase

certificates. This was a practical fraud on the law, and was mainly conducted in the cities, and where done the sale was discontinued. The great body of the certificates were taken by the class of persons for whom they were designed. In a brief period they were sold, and the proceeds were in the treasury.

On the 21st of April I made the final call for all outstanding 10-40 bonds. With this call the refunding operations were practically at an end for the time. A good deal of correspondence was had as to priority of bids and sales of refunding certificates, but this was closed, at the end of ninety days, by the full payment of the called bonds, and the substitution of bonds bearing a lower rate of interest. This was accomplished without the loss of a dollar, or, so far as I can recall, without a lawsuit.

The aggregate amount of bonds refunded from March 4, 1877, to July 21, 1879, was $845,345,950.

The annual interest saved by this operation was $14,290,416.50.

The general approval and appreciation of these results was manifested by the public press, and especially in Europe. Mr. Conant, in a letter dated April 19, said:

"On yesterday morning, at the stock exchange, just after the opening hour, a McLean's cable dispatch was posted up, stating that you had entered into a contract with a syndicate for the sale of $150,000,000 of four per cent. bonds, against the outstanding 10-40 five per cent. bonds. People were astounded at the information, and they were all the more astonished because the operation followed so closely upon the transaction of the 4th instant. The effect of this has been to send the price of the bonds up three-fourths per cent., and to create a demand for them."

From the date of these transactions the bonds of the United States rapidly advanced in value. Many similar transactions of my successors in office have been made at a still lower rate of interest.

Among the agreeable incidents connected with the resumption of specie payments was the adoption of resolutions by the Chamber of Commerce of New York, on the 2nd of July, 1879. The second resolution was as follows:

"*Resolved*, That this Chamber tenders its congratulations to the Honorable the Secretary of the Treasury, at once the framer and executor of the

law of 1875, upon the success which has attended his administration of the national finances; as well in the funding of the public debt, as in the measures he has pursued to restore a sound currency."

I subsequently received, by the hands of William E. Dodge, late president of the Chamber of Commerce of New York, a letter from that body asking me to sit for my portrait to be placed on the walls of their Chamber. On the 24th of February I sent the following reply:

GENTLEMEN:—I have the honor to acknowledge the receipt, by the hands of Wm. E. Dodge, late president of the Chamber of Commerce of New York, of your letter of the 17th instant, covering a resolution of your body, asking me to sit for my portrait to be placed upon the walls of your Chamber.

The kind words of Mr. Dodge in delivering the resolution add greatly to the compliment contained therein. I assure you that I deeply appreciate the honor of being designated in this manner, by a body so distinguished as the one you represent, composed of members having so large an influence in the commercial transactions, not only of our country, but of other nations, whose familiarity with financial and commercial subjects gives to its opinions great respect and authority.

The resumption of specie payments has been brought about by the coöperation, not only of many Senators and Members of Congress, but of the leading merchants, bankers and other business men of the country. It was my good fortune to be selected, by my colleagues in the Senate, to present the resumption act, which was framed with their aid and in their councils, and to hold my present office at the time when, by its terms, the law was to be enforced. The only merit I can claim is the honest and earnest effort, with others, to secure the adoption of the policy of resumption, and to have executed the law according to its letter and spirit. I feel that I cannot accept this high compliment, without acknowledging that I am but one of many who have contributed to the accomplishment of this beneficent object.

I will, with great pleasure, give every facility to any artist whom you may select to carry your resolution into effect.

Expressing to you, and the gentlemen you represent, my appreciation of a compliment so highly prized, I have the honor to be,

Very respectfully, your obedient servant,

JOHN SHERMAN.

Messrs. A. A. LOW, JAMES M. BROWN, SAM'L D. BABCOCK, WM. E. DODGE, HENRY F. SPAULDING, *Committee of the Chamber of Commerce, New York.*

JOHN SHERMAN—(D. HUNTINGTON, ARTIST). PAINTED FOR THE CHAMBER OF COMMERCE OF THE STATE OF NEW

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OF
CALIFORNIA

Subsequently, in compliance with this request, I gave to Mr. Huntington, an eminent artist selected by that body, a number of sittings, and the result was a portrait of great merit, which was placed in the Chamber of Commerce with that of Alexander Hamilton. I regarded this as a high compliment from so distinguished a body of merchants, but I do not indulge in the vanity of a comparison with Hamilton.

CHAPTER XXXVIII.

General Desire to Nominate Me for Governor of Ohio.

Death of My Brother Charles—The 46th Congress Convened in Special Session—"Mending Fences" at My Home in Mansfield—Efforts to Put Me Forward as a Candidate for the Governorship of Ohio—Letter to Murat Halstead on the Question of the Presidency, etc.—Result of My Letter to John B. Haskin—Reasons of My Refusal of the Nomination for Governor—Invitation from James G. Blaine to Speak in Maine—My Speech at Portland—Victory of the Republican Party—My Speech at Steubenville, Ohio—Evidences of Prosperity on Every Hand—Visit to Cincinnati and Return to Washington.—Results in Ohio.

ON the morning of January 1, 1879, I received intelligence of the sudden death of my eldest brother, Charles T. Sherman, at his residence in Cleveland. In company with General Miles and Senator Cameron, his sons-in-law, and General Sherman, I went to Cleveland to attend the funeral. My respect and affection for him has already been stated. As the eldest member of our family he contributed more than any other to the happiness of his mother and the success of his brothers and sisters. He aided and assisted me in every period of my life, and with uniform kindness did all he could to advance my interests and add to my comfort and happiness. As district judge of the United States, for the northern district of Ohio, he was faithful and just. When, after twelve years service, he was reproached for aiding in securing the reversal of an order of the Commissioner of Internal Revenue in collecting an unlawful and unjust tax in the city of New York, as he had a perfect right to do, he resigned his position rather than engage in a controversy. He was unduly sensitive of all accusations or innuendoes touching his honor. He was honest and faithful to every engagement, and had a larger personal following of intimate friends and associates than either of his brothers.

On the 4th of March, 1879, President Hayes convened the 46th Congress in special session to meet on the 18th of that month, to provide necessary appropriations for the legislative, executive and judicial expenses of the government, and also for the support of the army, the 45th Congress having failed to pass bills for these objects on account of a disagreement of the two Houses as to certain provisions relating to the election laws. This session continued until July 1, and was chiefly occupied in political topics, such as reconstruction and elections. The Democratic party, for the first time in twenty years, had control of both Houses, but it neither adopted nor proposed any important financial legislation at that session, the only law passed in respect to coin, currency or bonds which I recall being one to provide for the exchange of subsidiary coins for lawful money, and making such coins a legal tender in all sums not exceeding ten dollars. Congress seemed to be content with the operations of the treasury department at that time, and certainly made no obstacle to their success.

About the 1st of May, Mrs. Sherman, accompanied by our adopted daughter, Mary Sherman, then a young schoolgirl twelve years old, and Miss Florence Hoyt, of New York, Miss Jennie Dennison, of Columbus, and Miss Julia Parsons, of Cleveland, three bright and accomplished young ladies, embarked on the steamer Adriatic for a visit to Europe. Mrs. Sherman placed Mary in a very good school at Neuchâtel, Switzerland, and then with her companions visited the leading cities of Europe.

After accompanying the party to New York I went to Mansfield, and as my family was absent and the homestead occupied by comparative strangers, I stopped at the St. James hotel where, as was natural, I met a great many of my old neighbors and friends, both Democrats and Republicans, who welcomed me home.

Among my visitors were several reporters from different parts of the country who wanted to interview me and especially to learn if I was a candidate for governor, and why I came home. In the afternoon I visited my farm near by and my homestead of about twenty acres adjoining the city. I found

them in the usual neglected condition of the property of a non-resident proprietor, with many of the fences down. In the evening I was serenaded at the hotel and made a brief speech to a large audience, commencing as follows:

"I am very happy to be again in your midst, to see your faces and to greet you as friends. The shaking of your hands is more grateful to me than the music of bands or any parade. I never felt like making an explanation in coming before you until now. I found when I arrived in my old home that the papers said I came west seeking the nomination for governor. I came purely on private business—to repair my fences and look after neglected property."

The reporters seized upon the reference to my fences, and construed it as having a political significance. The phrase "mending fences" became a byword, and every politician engaged in strengthening his position is still said to be "mending his fences."

Previous to that time mention had been made of me in different parts of the country, not only for the nomination of Governor of Ohio, but for President of the United States. Charles Foster and Alphonso Taft were then spoken of as the leading candidates for nomination as governor. Both were my personal friends and eminently qualified to perform the duties of the office. Although I regarded the position of governor as dignified and important, well worthy the ambition of any citizen, still there were reasons which would prevent my accepting the nomination if it should be tendered me. I felt that to abandon my duties in the treasury department might be fairly construed as an evasion of a grave responsibility and an important public duty. I knew that President Hayes was very anxious that I should remain in the office of secretary until the close of his term. I did not desire to compete with the gentlemen already named, and did all I could to discourage the movement short of absolute refusal to accept the nomination. The newspapers of the day, not only in Ohio but in other states, were full of favorable comments upon my probable nomination for governor, and my correspondence upon the subject was very large. I have no doubt that had I consented to be a candidate both Foster and Taft would have acquiesced in my nomination

and I, in all human probability, would have been duly elected as Foster was.

As for the nomination for the presidency I made no movement or effort to bring it about, but then believed that General Grant would, upon his return from his tour around the world, be nominated and elected. The following letter will explain fully my position in regard to the office of both governor and president:

WASHINGTON, D. C., May 15, 1879.

MY DEAR SIR:—I notice, with heartfelt thanks for your personal kindness in the matter, the course of the 'Commercial' in regard to my proposed candidacy for Governor of Ohio, and this induces me to state to you frankly and fully, in confidence, the reasons why I could not accept the nomination if tendered, and why I hope you will give such a turn to the matter as will save me the embarrassment of declining.

In ordinary circumstances an election as Governor of Ohio, after my life in the Senate, would be extremely flattering and agreeable; but at present, for several reasons, the least of which are personal, I could not accept it.

My wife has gone to Europe on a visit of recreation greatly needed by her, my house in Mansfield is rented, and all my arrangements are made to be here during the summer. The nomination would require me to recall her, to resume my house, and to break up my plans for the summer. If this alone stood in the way, I could easily overcome it, but I know from letters received that my resignation as secretary would be regarded as a desertion of a public trust important to the whole country, with the selfish view of promoting my personal ambition, not for the governorship merely but for the presidency, which would impair rather than improve any chance I may have in that direction.

The President would regard this change as a great inconvenience and as defeating a desire he has frequently expressed to maintain his cabinet intact during his term, so that my obligations to him forbid this.

* * * * * * * * *

All these objections might be met except the one which I think is unanswerable, that my presence here in the completion of a public duty is far more important to the whole country and the cause we advocate than if I were to run as a candidate for Governor of Ohio and even succeed with a large majority.

All things now tend to our success in Ohio and that is likely to be as complete with any other candidate for governor as myself, while if left here I will be able to so finish my business that no one can say it is incomplete.

As for the mention of my name for the presidency, I am not so blind as not to perceive some favorable signs for me, but I have thus far observed and intend strictly to adhere to the policy of taking no step in that direction,

doing no act to promote that object, and using none of the influence of my office towards it, except so far as a strict and close attention to duty here may help. I am not now, and do not intend to get, infected with the presidential fever. With high regard, I am, very truly yours,

JOHN SHERMAN.

M. HALSTEAD, ESQ., Cincinnati, Ohio.

During 1879 and the following year I received a multitude of letters and newspaper paragraphs advocating my nomination for President. Among the first of such letters was one from an old friend, John B. Haskin, formerly a Member of Congress from New York. On the 10th of May, 1879, I wrote him in answer a letter, not intended for publication, but expressing what I would do in the contingency mentioned by him, as follows:

"What I would aspire to, in case public opinion should decide to make me a candidate for President, would be to unite in coöperation with the Republican party all the national elements of the country that contributed to or aided in any way in the successful vindication of national authority during the war. I would do this, not for the purpose of irritating the south or oppressing them in any way, but to assert and maintain the supremacy of national authority to the full extent of all the powers conferred by the constitution. This, as I understand it, is the Jacksonian as well as the Republican view of national powers.

* * * * * * * * *

"You see my general ideas would lead me to lean greatly upon the war Democrats and soldiers in the service, who have been influenced by political events since the war to withhold support from the Republican party.

"The true issue for 1880 is national supremacy in national matters, honest money and an honest dollar."

Mr. Haskin gave, or showed, this letter to a New York paper, and it was published. I expressed my opinion, but it was not one that should have been made public without authority. The letter was the subject of comment and criticism, and was treated as an open declaration of my candidacy for the office of President. It was not written with this purpose, as the context clearly shows. This incident was a caution to me not to answer such letters, unless I was assured that my replies would be treated as confidential. Yet I do not see how a man in public life can refuse to answer a friendly letter, even if his meaning can be perverted.

During the months of May and June I had a correspondence with John B. Henderson, of St. Louis, in which he expressed his great interest in my nomination. This resulted in a conference, which he advised, with President Hayes. My reply was as follows:

TREASURY DEPARTMENT, June 23, 1879.

MY DEAR SIR: —In compliance with your suggestion, I yesterday mentioned to the President my embarrassment from the general discussion of my name as a possible candidate for the Republican nomination. The points I mentioned were how far I should commit myself to a candidacy and what I should do to promote it, and second whether, under certain circumstances, he would not, in spite of his declination, become a candidate for reëlection. He was very explicit on both points — first that I ought at once to let it be understood that I was a candidate in the sense stated in the Haskin letter, and no more — that great care should be taken that while a candidate, I ought not to take part in any movement of opposition to others named — especially to General Grant. The feeling is growing daily that General Grant will not allow his name to be used and that, while his eminent services should be fully recognized and rewarded, it is neither right nor politic to elect him to the presidency for the third term. The President very truly said that any appearance of a personal hostility or opposition to General Grant, would be inconsistent with my constant support of his administration during eight years, and would induce a concentration that would surely defeat me. Upon the second point he was very explicit — that he would not be a candidate under any circumstances, and as far as he could properly, without any unseemly interference, he would favor my election. This was the general tenor of the conversation, which he said he would repeat to General Schurz. This relieves me from some embarrassment, but I still think it is better for us to remain absolutely quiet, awaiting the development of public opinion or the voluntary action of personal and political friends. Unless there is a clear preponderance of opinion in preference for my nomination against all others, I do not want to enter upon the scramble. As yet I do not see any concentration. Hoping to see you soon, I remain, Very sincerely yours, JOHN SHERMAN.

HON. JOHN B. HENDERSON.

After a brief visit to Mansfield I went to Columbus, where I met with a hearty reception from men of both political parties. The legislature was in session, and the senators and members, judges of the courts, and executive officers of the state, called upon me and gave me cordial greetings. I attended a reception at the house of Governor Dennison, where I met the leading citizens of Columbus. On my return to the hotel I was serenaded by a band, and being introduced by

Governor Dennison made a brief speech of a non-partisan character, and in closing said:

"I want to make one personal remark about myself. Some of my newspaper friends have tried to make me a candidate for Governor of Ohio, but I hope none of you will vote for me in convention or before the people. I propose to stick to my present place until the question of resumption is settled beyond a doubt. I want to convince everybody that the experiment of resumption is a success; that we can resume; that the United States is not bound to have its notes hawked about at a discount, but that a note of the United States may travel about the world, everywhere received as equal to gold coin, and as good as any note ever issued by any nation, either in ancient or modern times. I want to see that our debt shall be reduced, which will be done through four per cent. bonds. If the present policy prevails, we shall be able to borrow all the money needed for national uses for less than four per cent., perhaps as low as three."

I returned directly to Washington. Finding that a determined effort would be made to force my nomination as governor, I wrote the following letter to prevent it:

TREASURY DEPARTMENT,
WASHINGTON, May 15, 1879.

MY DEAR SIR:—In view of the kindly interest manifested by political friends during my recent visit home, that I should be nominated as the Republican candidate for Governor of Ohio, I have given the subject the most careful consideration, and have come to the conclusion that I cannot, in my present situation, accept such a nomination if tendered.

I am now engaged in a public duty which demands my constant attention and which can clearly better be completed by me than by anyone coming freshly into the office. To now accept the nomination for governor, though it is an honor I would otherwise highly prize and feel deeply grateful for, would be justly regarded as an abandonment of a trust important to the whole country, to promote my personal advancement. I earnestly hope, therefore, that the convention will not embarrass me by a tender of a nomination which I would be obliged to decline.

It may be that no such purpose will be manifested, but I write you so that if the convention should so incline, you may at once state why I cannot accept. Very truly yours, JOHN SHERMAN.

GENERAL J. S. ROBINSON,
Chairman Republican State Committee, Columbus, Ohio.

Charles Foster was nominated by the Republican convention in the latter part of May, and Thomas Ewing by the Democratic convention. These nominations necessarily made prominent the financial questions of the time.

Augusta Me
July 3d/79

My Dear Sir:

Could you speak at Portland Tuesday July 23d — and then during the same week at Augusta and Bangor — say 25th-27th

Your Portland speech we should expect to have printed next day accurately from your own slips —

Your two other speeches hardly less important to us — might be made with less care & accuracy that is more on the order of the general stump speech

In your Portland speech I hope however you will take in something more than the finances — making however the leading & prominent topic — but giving a heavy hit at the conduct of the Democrats during the extra session

Sincerely
J. G. Blaine

Hon Jno Sherman
Secy Treasury

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After the close of the funding operations, I received from Mr. Blaine, as chairman of the Republican committee of Maine, the following invitation, which I accepted:

AUGUSTA, ME., July 3, 1879.

HON. JOHN SHERMAN, Secy. of Treas.

MY DEAR SIR:—Could you speak at Portland, Tuesday, July 23, and then during the same week at Augusta and Bangor say 25th—27th? Your Portland speech we should expect to have printed the next day, accurately from your own slips.

Your two other speeches, hardly less important to us, might be made with less care and accuracy, that is, more on the order of the general stump speech.

In your Portland speech I hope, however, you will talk on something more than the finance, making it, however, the leading and prominent topic —but giving a heavy hit at the conduct of the Democrats during the extra session. Sincerely, JAMES G. BLAINE.

The election in the State of Maine preceding those of other states, great interest was taken in it, as the result there would have much influence in other parts of the country. That state in the previous year had faltered in support of the Republican party. In that year there were three candidates in the field for governor, the Republican, whose name I do not recall, the Democratic, Garcelon, for hard money, and the Greenback, Smith, under the lead of Solon Chase, an alleged lunatic in favor of fiat money, the repeal of the resumption law, and the enactment of an eight-hour law. Smith received about 40,000 votes, Garcelon about 28,000, and the Republican candidate about 54,000. Many Republicans either did not vote or voted the Democratic or Greenback ticket. By the constitution of that state a majority of all the votes cast is required to elect a governor, and in case of failure the house of representatives of the state proceeds to ballot for choice. The names are then sent to the senate for the action of that body. The result was the election of Garcelon, the Democratic candidate.

This was due to a strong feeling then prevailing in favor of irredeemable or fiat money, and to some discontent among Republicans with the liberal measures adopted by President Hayes to secure peace and quiet in the south, especially the recognition of Hampton as Governor of South Carolina and of Nichols as Governor of Louisiana.

I thought it important to turn the issues of the campaign to the financial measures accomplished by the Republican party, and therefore prepared with some care a speech to be delivered at Portland, and confined mainly to this subject. This speech was made on the 23rd of July, 1879. I regard it as the best statement of the financial question made by me in that canvass. In it I stated fully the action of the administration in respect to the resumption of specie payments, and the refunding of the public debt. The people of Maine had been greatly divided upon these measures. The Greenback party was opposed to the effort to advance the United States note to the value of coin which it represented, but wished to make it depend upon some imaginary value given to it by law. I said the people of Maine would have to choose between those who strictly sought to preserve the national faith, and to maintain the greenback at par with coin, and those who, with utter disregard of the public faith, wished to restore the old state of affairs, when the greenback could only be passed at a discount, and could neither be received for customs duties, nor be paid upon the public debt.

The Greenback party had embodied in their platform the following dogmas:

"The general government should issue an ample volume of full legal tender currency to meet the business needs of the country, and to promptly pay all of its debts."

"The national banking system should be immediately abolished."

"We demand the immediate calling-in and payment of all United States bonds in full legal tender money."

One of the Members of Congress from the State of Maine, Hon. G. W. Ladd, was reported to have paid his attention to me, in a speech in Portland, in the following language:

"Mr. Sherman has sold one hundred and ninety millions of four per cent. bonds in one day to bloodsuckers who were choking the country, and he should be impeached."

In closing my speech I said:

"It is to support such dogmas, my Republican friends, that we are invited to desert the great party to which we belong. It may be that the Republican party has made in the last twenty years some mistakes. It may

not always have come up to your aspirations. Sometimes power may have been abused. To err is human; but where it has erred it has always been on the side of liberty and justice. It led our country in the great struggle for union and nationality, which more than all else tended to make it great and powerful. It has always taken side with the poor and the feeble. It emancipated a whole race, and has invested them with liberty and all the rights of citizenship. It never robbed the ballot box. It has never deprived any class of people, for any cause, of the elective franchise. It maintains the supremacy of the national government on all national affairs, while observing and protecting the rights of the states. It has tried to secure the equality of all citizens before the law. It opposes all distinctions among men, whether white or black, native or naturalized. It invites them all to partake of equal privileges, and secures them an equal chance in life. It has secured, for the first time in our history, the rights of a naturalized citizen to protection against claims of military duty to his native country. It prescribes no religious test. While it respects religion for its beneficial influence upon civil society, it recognizes the right of each individual to worship God according to the dictates of his own conscience, without prejudice or interference. It supports free common schools as the basis of republican institutions. It has done more than any party that ever existed to provide lands for the landless. It devised and enacted the homestead law, and has constantly extended this policy, so that all citizens, native and naturalized, may enjoy, without cost, limited portions of the public land. It protects American labor. It is in favor of American industry. It seeks to diversify productions. It has steadily pursued, as an object of national importance, the development of our commerce on inland waters and on the high seas. It has protected our flag on every sea; not the stars and bars, not the flag of a state, but the stars and stripes of the Union. It seeks to establish in this republic of ours a great, strong, free government of free men. It would, with frankness and sincerity, without malice or hate, extend the right hand of fellowship and fraternity to those who lately were at war with us, aid them in making fruitful their waste places and in developing their immense resources, if only they would allow the poor and ignorant men among them the benefits conferred by the constitution and the laws. No hand of oppression rests upon them. No bayonet points to them except in their political imaginings.

"We would gladly fraternize with them if they would allow us, and have but one creed — the constitution and laws of our country, to be executed and enforced by our country, and for the equal benefit of all our countrymen. If they will not accept this, but will keep up sectionalism, maintain the solid south upon the basis of the principles of the Confederate states, we must prepare to stand together as the loyal north, true to the Union, true to liberty, and faithful to every national obligation. I appeal to every man who ever, at any time, belonged to the Republican party, to every man who supported his country in its time of danger, to every lover of liberty

regulated by law, and every intelligent Democrat who can see with us the evil tendencies of the dogmas I have commented upon, to join us in reforming all that is evil, all the abuses of the past, and in developing the principles and policies which in twenty years have done so much to strengthen our government, to consolidate our institutions, and to excite the respect and admiration of mankind."

I made similar speeches at Lewiston, Augusta, Waterville and Bangor. General Sherman's estimate of my speech at Portland, in reply to an inquiry, is characteristic of him, viz:

"General, your brother, Secretary Sherman, seems to be doing some telling work just now in the State of Maine; in fact, it is conceded that his recent financial triumphs have made him a power."

"Well, yes, I think John's doing right well. He made a good speech at Portland, one that seemed to me carefully prepared. I think he answered his critics quite conclusively, but if I were in John's place I would now save my breath and make no more speeches, but simply say in reply to other invitations, 'Read my Portland speech,' because whatever other efforts he may make during the campaign must be more or less a rehash of that."

In the canvass that followed in Maine but little attention was paid to the sectional question, and the Republican party gained a complete victory.

About the middle of August the business of the treasury department, being confined to routine duties, was left under the management of Assistant Secretary John B. Hawley. I determined to spend the remainder of the month in the campaign in Ohio, then actively progressing, but confined mainly to the issue between the inflation of paper money and the solid rock of specie payments. I made my first speech in that canvass at Steubenville on the 21st of August. The meeting was a very large one. Every available seat was occupied by an intelligent audience, and the aisles and corridors were filled with people sitting or standing. I opened my speech as follows:

"I am happy to be again among the people of Ohio, to whom I am under the highest obligations of duty and gratitude, and especially to be here in this good county of Jefferson, whose representatives have thrice honored me by their vote when a candidate for the Senate of the United States. I cheerfully come to speak on matters in which you, as well as the whole people of the United States, have a common interest; and I will best meet your wishes by stating, in a plain, frank way, such facts and reasons

as appear to me to justify the support you have uniformly given to the Republican party since its organization in 1854, and to present adequate grounds for supporting it now.

"Three parties present candidates to the people of Ohio for the highest offices of the state. It will not be necessary or just for me to arraign the personal character, standing, or services of either of the candidates on either of these tickets. They are all respected citizens, and each would, no doubt, if elected, satisfactorily perform the duties of the office for which he is nominated.

"But the issues involved are far more important than the candidates. I assure you that upon the election in Ohio depend questions of public policy which touch upon the framework of our government and affect the interests of every citizen of the United States. The same old questions about which we disputed before the war, and during the war, and since the war, are as clearly involved in this campaign as they were when Lincoln was elected, or when Grant was fighting the battles of his country in the wilderness.

"There are also financial questions involved in this contest. The Republican party proposed, maintained, and executed the resumption act as the best remedy for the evils that followed the panic of 1873. Under that act it has brought about the resumption of specie payments. By its policy all forms of money are equal to and redeemable in coin. It has reduced the interest on all the public debt that is redeemable. It has maintained and advanced the public credit. It now declares its purpose to hold fast to what it has done, to keep and maintain every dollar of paper money in circulation as of equal value to the best coin issued from the mint, and as soon as possible to complete the work of reducing interest on all the public debt to four per cent. or less.

"The Greenback party not only denounces all we have done, but proposes to reverse it by the issue of an almost unlimited amount of irredeemable paper money, to destroy the system of free national banks, and to call in and pay off all the United States bonds with irredeemable money.

"The Democratic party of Ohio, both in its platform and by its candidates, supports more or less all of these dogmas; but it does so not as a matter of principle, but for political power. Its main object is, by any sort of alliance on any real or pretended popular issue, to gain strength enough to unite with the solid south, so that it may restore to power, in all departments of the national government, the very same doctrines that led to the Civil War, and the very men who waged it against the Union. To obtain political power, the democracy seek, by party discipline, to compel their members to abandon the old and cherished principles of their party of having a sound currency redeemable in coin. For this, they overthrew Governor Bishop; for this, they propose to reopen all the wild and visionary schemes of inflation that have been twice rejected by the people of Ohio. Our contest with them is not only on financial questions, but upon the old and broad question of the power and duty of the national government to

enforce the constitution and laws of the United States in every state and territory, whether in favor of or against any citizen of the United States.

"Let us first take up these financial questions, and in charity and kindness, and with due deference to opposing opinions, endeavor to get at the right, if we can.

"The great body of all parties are interested in and desirous of promoting the public good. If they could only hear both sides fairly stated, there would be less heat and bitterness in political contests, and more independent voting."

I then proceeded with a full discussion of the financial questions, referring especially to the speeches made by General Ewing, with whose opinions I was conversant. I closed with a brief discussion of the southern question, and especially the nullification of the election laws in the southern states. This speech was the best of many made by me in different parts of the state. I was engaged in the canvass in Ohio for two weeks afterward, during which I visited my home at Mansfield.

In traversing the state I was surprised at the remarkable change in the condition of business and the feelings of the people, and at the evidences of prosperity not only in the workshops but on the farms. It was jokingly said that the revival of industries and peace and happiness was a shrewd political trick of the Republicans to carry the state. As I rode through the country I saw for miles and miles luxuriant crops of thousands of acres of wheat, corn, oats and barley. It was said that this was merely a part of the campaign strategy of the Republicans, that really the people were very poor and miserable and on the verge of starvation. This was the burden of the speeches of General Ewing, who attributed the miseries of the people to my "wicked financial policy," and said that I was given over to the clutches of the money power and stripped and robbed the people of Ohio for the benefit of the "bloated bondholders."

While General Ewing was fighting in the shadows of the past, caused by the panic of 1873, a revolution had taken place, and he who entered into the canvass with the hope that the cry of distress would aid him in his ambition to be governor, must have been greatly discouraged by the evidences

of prosperity all around him. I found in my home at Mansfield that business was prosperous, the workshops were in full blast, and smoke was issuing from the chimney of every establishment in the place.

My coming to Ohio naturally excited a good deal of comment and of opposition from Democratic speakers and papers. I was charged with nepotism in appointing my relatives to office, but upon examination it was found that I had appointed none, though several, mostly remote, were holding office under appointments of General Grant. On the 25th of August I left Mansfield for Columbus and Cincinnati, and on the train met Charles Foster and others on their way to Mount Vernon. On their arrival they were met by flags and music, and in response to calls I made a brief speech.

On the 27th of August I made my usual annual visit to Cincinnati and the Chamber of Commerce of that city. That body is composed in almost equal numbers of members of the two great parties, and therefore, in addressing it, I carefully refrain from discussing political topics. At that time there was a good deal of discussion of the order made by me on the 13th of August, addressed to the treasurer of the United States, directing him not to withdraw from bank depositaries the money deposited for the payment of called bonds, until it was required for that purpose. At the date of that order over $70,000,000 of called bonds were still outstanding, but only $52,000,000 remained on deposit with national bank depositaries to pay them, thus showing that $18,000,000 United States notes had been withdrawn from the depositaries into the treasury in advance of their need for such payment. These sums were fully secured by the deposit with the government of bonds to the amount of such deposits and a further sum of bonds to the amount of five per cent. of the deposit.

I felt that the withdrawal of this great sum in advance of the presentation of the called bonds would necessarily create an injurious contraction of the currency. To meet this condition of affairs, upon the advice of the treasurer at Washington and the assistant treasurer at New York, and the pressing

complaints of business men not interested in depositary banks, I issued this order:

TREASURY DEPARTMENT, August 13, 1879.

HON. JAMES GILFILLAN, Treasurer United States.

SIR:—With a view to closing as soon as practicable the accounts of the department with depositary banks on loan account, without unnecessary disturbance of the money market or the withdrawal of legal tenders from current business, you will please receive from such depositaries in payment called bonds to be credited when passed through the loan division. You will require from such depositaries sufficient money in addition to the called bonds, to insure the withdrawal of all deposits on loan account on or before the 1st of October next. The letter of the department of March 26 is modified accordingly. Very respectfully,

JOHN SHERMAN, Secretary.

It was said that this was done to relieve the banks, and especially the First National and the National Bank of Commerce, of New York, which in closing out the refunding operations had, as already stated, made large subscriptions for themselves and others, and it was intimated that I was interested in these banks. This innuendo was without foundation or excuse, and was made merely to create a political sensation. This order was made, not at the request of the banks, for they were entirely prepared to pay the money, but at the urgent demand of business men, that the currency should not be withdrawn from the banks where it was employed in active business, and be deposited in the treasury where it would lie idle.

I thus explained the matter to the Chamber of Commerce, and to the public at large. I felt that it would not be advisable for me to drain the money market of legal tenders, and to hoard them in the treasury to await the presentation of called bonds. If such a course had been adopted, the clamor would have been louder and more just. The order, no doubt, had a happy effect, as the running accounts were rapidly and quietly closed, by the payment of the called bonds, without any disturbance in the money market. The clamor made was beneficial because it induced the holders of the called bonds to send them in for payment, in which I greatly rejoiced.

In the evening of that day a reception was given to me at the Lincoln club. While it was going on a large crowd, headed

by a band, approached the clubhouse, and loudly insisted that I should speak to them. As this was a political club, I felt at liberty, on being introduced by Warner M. Bateman, to make a political speech, mainly devoted to my early friend, General Ewing, and his peculiar notions of finance. This was reported in the papers at the time. If there was too much political feeling manifested in my speeches at this period, it may be partly excused by the extreme violence of denunciation of me by Democratic speakers and newspapers.

Later in the evening I visited Wielert's pavilion, on Vine Street, where the usual evening concert was being given. The visitors were mainly German citizens, and, as such, were known to be in favor of a sound currency based upon gold and silver. The orchestra at once stopped the piece they were rendering, and played the "Star Spangled Banner," amid the cheering of the assemblage. They insisted upon a speech, and I said:

"When I came here to-night I did not expect to make a speech, as I have made one already. I only came to see the people enjoy themselves, to drink a glass of that good old German beverage, beer, and to listen to the music. I am very happy to meet you, and shall carry away with me a kindly remembrance of your greeting. All I want, and that is what we all want, is honest money. A dollar in paper is now worth a dollar in gold or silver anywhere in this country, and we want affairs so shaped that the paper money issued may be exchanged anywhere or under any circumstances for gold or silver. That is my idea of honest money. [Cries, 'That is so.' 'That is ours, too,' etc.] We may be assured that such shall be the character of the money in our country if the people will sustain the party which has equalized the values of the paper and metal moneys. Again I thank you for your kind reception."

I returned to Washington and remained there during the month of September, actively employed in the duties of the department. During this month nearly all the outstanding called bonds were presented and paid, and all sums deposited with national banks during the operation of refunding were paid into the treasury and these accounts closed.

Fruitful crops in the United States, and a large demand for them in Europe, caused an accumulation of coin in this country. Much of it came through the customhouse in New York, but most of it was in payment for cotton and provisions.

It was readily exchanged for United States notes and silver certificates. As all forms of money were of equal purchasing power and paper money was much more convenient to handle than coin, the exchange of coin, by the holders of it, for notes or certificates, was a substantial benefit to them and strengthened the treasury. I promoted these exchanges as far as the law allowed. I deemed it wise to distribute this coin among the several sub-treasuries of the United States, maintaining always the reserve for the redemption of United States notes in the sub-treasury in New York as the law required. For this purpose I issued the following order:

TREASURY DEPARTMENT,
WASHINGTON, September 19, 1879.

Gold coin beyond the needs of the government having accumulated in the treasury of the United States, by the deposit in the several public assay offices of fine bars and foreign coin, for which the depositors have been paid, at their option, in United States notes, the treasurer of the United States, and the several assistant treasurers at Boston, New York, Philadelphia, Baltimore, Cincinnati, Chicago, St. Louis, New Orleans and San Francisco, are hereby authorized to pay out gold coin as well as silver coin and notes upon the current obligations of the government, and upon advances to disbursing officers, as may be convenient and practicable. Transfers of coin for this purpose will be made to any assistant treasurer, when necessary, by the treasurer of the United States, upon application to him. The treasurer of the United States in this city, upon the receipt by him of a certificate of deposit issued by the United States assistant treasurer at New York, stating that there has been deposited with him legal tender notes in the sum of $100 or multiples thereof, will also cause to be shipped from the mint to the depositor, at his risk and expense, a like amount of gold coin. Standard silver dollars may also be obtained as heretofore.

* * * * * * * * *

JOHN SHERMAN, Secretary.

The result of this policy was beneficial, though the demand for coin rarely existed except for foreign exchange, and this was generally in New York, and largely depended upon the balance of trade. Our people had been so accustomed to the use of paper money that they received and paid United States notes in preference to coin, and this more readily since these notes were equal in purchasing power to coin.

Senator Thurman, my colleague and personal friend, was active in the canvass in Ohio. His term expired on the 4th of

March, 1881, and he was a candidate for reëlection by the legislature about to be chosen. I heard of his speeches, especially those in respect to resumption. He commented upon the fact that United States notes were only redeemed in the city of New York, and claimed that we had not actually resumed, for gold was not in circulation. He appealed to his audiences to say whether they had any gold and whether they were not compelled to receive the same greenbacks then as they had since the period of the war, and said if they wanted gold they had to go to New York for it. I regarded this as a piece of demagogism, for he knew the difference between the greenbacks then and the greenbacks before resumption. Hearing that he was to speak in Bellaire shortly I arranged to have certain disbursements for wages in that neighborhood made in gold coin. When he made his speech at Bellaire, soon afterwards, he repeated the same statements that he had previously made, and appealed to the audience to know whether they had seen any of the gold coin they had heard so much about. Much to his surprise and embarrassment quite a number of persons held up and shook gold coin. This put a stop to his inquiries. The people appreciated the advance in the purchasing power of their money, and neither demanded coin nor cared for it.

Early in October I yielded to the urgent request of Mr. Foster to help in the closing days of the canvass, and, on the evening of the 8th, addressed a meeting at the west front of the capitol in Columbus, far exceeding in numbers any political gathering during the campaign. My opening will indicate the general trend of my remarks:

"It is not within my power to reach with my voice all who have assembled on this occasion, and besides, for some time I have not been much in the habit of speaking in the open air, and don't know how long my voice will hold out, but I think I will be able to say all that you will desire to hear from me, as I will be followed by a gentleman distinguished in war and able to supply any imperfections in my address.

"When I was here in August last it appeared that the great point in the political contest in which we were about to engage was whether the people of Ohio would stand fast to the resumption of specie payments, which the Republicans, by a steady and patient courage and unswerving conviction, had finally brought to a successful consummation on the 1st day

of January last, or whether the people of Ohio would yield to the wild and fanciful ideas of inflation, and desert the great good that had been accomplished after so long a trial.

"The Democratic party, which had been holding the honored principles of that party, seemed to be willing to go after strange gods, and to form new alliances, to do anything to gain success, and that old party sought to form at least temporary alliances, so that the people would forget the great issue, and follow after these strange and delusive ideas of which I will speak. Therefore it was that my friend General Ewing was nominated for Governor of Ohio, with the expectation that as he had advanced some such ideas in times past, a coalition would be made between parties naturally hostile, and that the State of Ohio would be thus gained for the Democratic ticket."

In the course of my remarks I read an extract from General Ewing's speech of the year before, in which he stated that if we were out of debt to foreign countries, and if our foreign commerce floated under our own flag, resumption in gold and silver would be impossible on the then volume of paper money; that if it were attempted the desperadoes of Wall street and the money kings of England would present greenbacks, and take the gold as fast as it could be paid over the counter of the treasury. I said in reply:

"Not a year rolled around until this resumption came, and these Wall street desperadoes and these money kings of Europe, instead of coming and demanding our gold in exchange for greenbacks, now bring their gold to us and want greenbacks for it.

"The money kings of Europe have brought us gold—$36,900,000 in gold coin from France—and the English have brought their gold and exchanged it for United States notes. And these Wall street desperadoes are as eager to get our greenbacks as you are. They don't want the gold at all and we cannot put it on them. Why, my countrymen, United States notes may now travel the circuit of the world with undiminished honor, and be everywhere redeemed at par in coin. They are made redeemable everywhere, and at this moment the greenback is worth a premium on the Pacific coast and in the Hawaiian Islands, and in China and Japan it is worth par; and in every capital of Europe, in Berlin, in Paris, in London, an American traveling may go anywhere in the circuit of the civilized world, and take no money with him except United States notes.

"Well, now, General Ewing was mistaken. Well, why don't General Ewing come down and say 'I was mistaken?' [A voice, 'He will come down.'] Yes, after next Tuesday he will."

On the next day I spoke at Springfield to an audience nearly as large, following the general lines of my Columbus speech. On the following day I spoke at Lancaster from a stand in front of the town hall, in plain sight of the houses in which General Ewing and I were born. I spoke of General Ewing in very complimentary terms, said we had been intimate friends from boyhood, that our fathers had been friends and neighbors, but that he and I then found ourselves on opposites sides of very important questions. I expressed my respect for the sincerity of General Ewing's motives, but believed that he was thoroughly and radically wrong. I said I wished to state frankly how he was wrong, and to what dangerous consequences the fruit of his errors would lead, and I wanted the people of Lancaster to judge between us.

On the Saturday before the election I spoke in Massillon. By some misunderstanding I was advertised to speak on that afternoon at both Massillon and Mansfield, but, by an arrangement subsequently made, I spoke at Massillon to one of the largest meetings of the campaign, and then was taken by special train to Mansfield in time to make my closing speech in the canvass. It was late in the afternoon, but the crowd that met to hear me remained until my arrival, of which the following account was given by the local paper:

"But the grand ovation was reserved for our distinguished townsman, Secretary Sherman. There were acres of men, women, children and vehicles at the depot to meet him, and as he stepped from the cars he was greeted with the booming of cannon, the music of half a dozen bands, and the loud and long acclaim that came from the throats of the immense concourse of friends. A thousand hands of old neighbors were stretched out to grasp his as he moved along with great difficulty, piloted by the reception committee, through the vast and surging crowd. Cheer after cheer went up on every imaginable pretext, and many times calls for 'Three cheers for John Sherman, our next President,' were honored with a power and enthusiasm that left no room for doubt as to the intensity of the devotion felt for him at his old home."

In this connection I wish to say once for all that I have been under the highest obligations to the people of Mansfield during my entire life, from boyhood to old age. I have, with rare exceptions, and without distinction of party, received

every kindness and favor which anyone could receive from his fellow-citizens, and if I have not been demonstrative in exhibiting my appreciation and gratitude, it has nevertheless been entertained, and I wish in this way to acknowledge it.

In opening my address in the evening I said:

"My fellow-townsmen, I regret your disappointment of to-day, that, by some misunderstanding as to the hour of your meeting, I felt it my duty, in obedience to the request of the state committee, to attend the great mass meeting at Massillon this afternoon, and now come before you wearied and hoarse, to speak of the political questions of the day.

"When I was in Ohio in August last, the chief question in the pending political canvass was, whether the resumption of specie payments, so long and steadily struggled for, and happily accomplished by the Republican party, should be maintained, or whether it should give way to certain wild and erratic notions in favor of irredeemable paper money. Upon this issue General Ewing was nominated by the Democratic party, in the hope that he would gain support from a third party committed to inflation. Since then it would appear that the Democratic leaders seek to change the issue. The same old questions about the rights of the states to nullify the laws of the United States — the same old policy to belittle and degrade our national government into a mere confederacy of states—are now thrust forward into prominence."

On the following Tuesday I voted, and immediately started for Washington. The news of the triumphant election of Foster and Hickenlooper, by over 30,000 majority, and a Republican majority of twenty-five in the legislature, reached me while on the train.

The management by Governor Foster of his canvass, and his work in it. was as laborious and effective as any ever conducted in Ohio. He visited every county in the state, often made four or five speeches in a day, and kept special railroad trains in motion all the while, carrying him from place to place. He is not, in the usual sense, an orator, but in his numerous campaigns he has always made clear and effective statements which the people could understand. His manner is pleasing, without pretension or gush. He had been elected to Congress several times in a district strongly Democratic. In the campaign of 1879 he adopted the same plan that had been so successful when he was a candidate for Congress. He was an experienced and efficient hand-shaker.

CHAPTER XXXIX.

Last Days of the Hayes Administration.

Invitation From General Arthur to Speak in New York — Letter to Hon. John Jay on the Subject — Mr. Evarts' Refined Specimen of Egotism — An Anecdote of the Hayes Cabinet — Duty of the Government to Protect the Election of All Federal Officers — My Speech in Cooper Institute — Offers of Support to Elect Me as a Successor of Senator Thurman — My Replies — Republican Victory in New York — President Hayes' Message to Congress — My Report as Secretary of the Treasury — Modification of My Financial Views Since that Time — Bank Notes as Currency — Necessity for Paper Money — Mr. Bayard's Resolution Concerning the Legal Tender Quality of United States Notes — Questions Asked Me by the Finance Committee of the Senate.

IN the latter part of September I was invited by General Arthur, as chairman of the Republican state committee of New York, to speak to the Republicans of that state during the pending canvass, in aid of the election of Mr. Cornell as governor. The circumstances of the removal of Arthur and Cornell caused some doubt whether I should accept the invitation, as it seemed that the nomination of Cornell and the management of the canvass by Arthur was an expression of triumph, and my acceptance would be regarded as a humiliation of the President. I did not think so and in this opinion the President concurred. I, therefore, accepted the invitation by the following letter:

Treasury Department,
Washington, September 29, 1879.

Dear Sir:—I have to acknowledge the receipt of your letter of the 25th inst., inviting me to speak to the Republicans in New York some time during the pending campaign. It will give me great pleasure to do my utmost in aid of the election of Mr. Cornell and the Republican ticket at the coming election, and I wish I could accept your invitation without reserve; but in view of engagements made in Ohio, and the official duties incumbent upon me, I cannot make any more definite reply than to say that by the middle of October I hope to be able to set aside two or three days to be spent in your canvass at such places as you may think I can render the

most satisfactory service. I have also received an invitation from Mr. Johnson, secretary of your committee. Please consider this an answer.

Very respectfully, JOHN SHERMAN.

To GENERAL C. A. ARTHUR,
Chairman Republican State Committee, New York.

Shortly afterwards I received a letter from Hon. John Jay, expressing regret at my acceptance, for the reasons I have stated. To this I replied as follows:

OCTOBER 4, 1879.

MY DEAR SIR:—Your note of the 2nd is received.

I feel as you do that the nomination of Mr. Cornell, and the appointment of Mr. Arthur to conduct the canvass, has the look of a reproach to the President for their removal. If only their personal interests were involved, I should feel great indifference to their success, but it so happens that Republican success in New York is of such vital importance to the people of the United States, that their personal interest in the matter, and even the motive of the nomination and appointment, should be overlooked, with a view to secure the country against the return to power of the Democratic party.

We must carry New York next year, or see all the results of the war overthrown and the constitutional amendments absolutely nullified. We cannot do this if our friends defeat a Republican candidate for governor fairly nominated, and against whom there are no substantial charges affecting his integrity. Besides, the nomination of Mr. Cornell could easily have been prevented if the friends of the President and the administration had aided to defeat it. He was nominated by our acquiescence, and we should not now complain of it. The expediency of holding the meeting you propose, depends entirely upon the question whether or not it would aid the Republican cause this fall. I am inclined to think it would not, that such a meeting would deter Republicans from supporting the regular ticket and, therefore, is ill advised. I thus frankly state my opinion as you ask it, but without any desire in any way to influence that of others.

Very truly yours, JOHN SHERMAN.

HON. JOHN JAY, Katonah, N. Y.

After the election in Ohio I received from General Arthur a list of appointments for me in New York, which if I had attempted to fill would have overtaxed my strength. Mr. Evarts had also been invited, but limited his acceptance to one speech to be made in Cooper Institute. I complained to him that it was not fair to request of me so many speeches when he, a citizen of that state, agreed to make but one. His answer was characteristic. He said: "Well, Mr. Sherman, when the

people of New York wish my views upon public questions they arrange for a meeting in Cooper Institute, or some such place. I make the speech and it is printed and is read." I thought this, under the circumstances, a refined specimen of egotism, meaning that he had only to pronounce his opinion to attract universal attention and he need not therefore repeat his speech at any other place.

This incident recalls to my mind a specimen of his keen wit. Among the early meetings of the cabinet President Hayes announced three or four personal appointments that he intended to make, mainly in the foreign service, in the department of which Mr. Evarts was the head. Evarts seemed to be surprised at these appointments, and after some pause he said: "Mr. President, I have never had the good fortune to see the 'great western reserve' of Ohio, of which we have heard so much." For a moment Hayes did not perceive the quiet sarcasm of Mr. Evarts, which was a polite expression of his feeling that he should have been consulted about these nominations before they were announced. We all caught the idea and the President joined heartily in the laughter. Mr. Evarts is not only a man of keen wit, but is a great lawyer and able advocate. I learned, from my intimate association with him in the cabinet, and subsequently in the Senate as a member of the committee on foreign relations, to respect and love him.

On the 25th of October, when on my way to New York, at the request of General Kilpatrick I made a speech at Paterson, New Jersey, on the occasion of the ratification of the Republican nominations. In this speech I expressed my opinions upon the subject of fraudulent elections, especially in the south, and, while the government has not been able at any time to completely protect the ballot box in the several states, the opinions I then expressed are still entertained. I believe the right of each lawful voter to vote in national elections should be enforced by the power of the national government in every state and territory in the Union. I said at this time:

"Now I want to serve notice on the Democratic party, that the Republican party has resolved upon two things, and it never makes up its mind upon anything until it is determined to put it through. *We are going to*

see that every lawful voter in this country has a right to vote one honest ballot at every national election, and no more. If the Democratic party stands in the way, so much the worse for the Democratic party. If the south, rebellious as it is, stands in the way again, we will protect every voter in his right to vote wherever the constitution gives the right to vote. Local elections must be regulated by state laws. Southern voters may cheat each other as they please in local elections. The Republican party never trenched on the rights of states, and does not intend to.

"Whenever national officers or Congressmen are elected, those are national elections, and, under the plain provisions of the constitution, the nation has the right to protect them. The Republican party intends, if the present law is not strong enough, *to make it stronger.* In the south 1,000,000 Republicans are disfranchised. With the help of Almighty God, we intend to right that wrong. Congress has a right to regulate congressional elections. The Tweed frauds, reversing the vote of New York state in 1868, led to the passage of the first federal election law, breaking up false counts. Then the Mississippi plan was introduced in the south.

"If Congress was purged to-day of men elected by fraud and bloodshed in the south, the Democrats would be in a pitiful minority in the capitol. At the last session the Democrats tried to repeal the election laws, and were met by veto after veto from the stanch Republican President. Then they tried to nullify existing laws. We must as firmly resist nullification now as when Jackson threatened 'by the eternal God' to hang the original nullifier, Calhoun. *We must have free elections.* We are determined to assert the *supremacy of the United States in all matters pertaining to the United States*, and to *enforce the laws of the United States, come what will.*"

This declaration of mine at the time created a good deal of criticism, especially in the New York papers, but, in spite of this, my convictions have grown stronger with time that it is the imperative duty of the national government to protect the election of all federal officers, including Members of Congress, by wise conservative laws.

On the 27th of October I spoke in Cooper Institute, confining myself mainly to an exposition and defense of the financial policy of the administration. This was hardly needed in the city of New York, though, as Mr. Evarts said of his speech, I knew what I said would be printed, and people who were not familiar with financial topics could read it. The commercial papers, while approving the general tenor of the speech, complained that I did not advocate the retirement of the legal tender notes of the government. They seemed then, as they do now, to

favor a policy that would withdraw the government from all participation in furnishing a currency. I have always honestly entertained the opinion that the United States should furnish the body of circulating notes required for the convenience of the people, and I do yet entertain it, but the notes should always be maintained at parity with coin. In the cities generally, where banks have great influence and where circulating notes are superseded in a great measure by checks, drafts and clearing house certificates, the wants of the people for paper money secured by the highest sanction of law and by the promise and credit of the government are not appreciated. In this speech I referred to the banks as follows:

"They [the banks] are interwoven with all the commercial business of the country, and their loans and discounts form our most active and useful capital. . . . The abolition of the national banks would inevitably lead to the incorporation of state banks, especially in bankrupt states, where any expedient to make paper money cheap will be quickly resorted to. . . . It will open the question of the repeal of the provisions of the loan laws fixing a limit to the amount of United States notes, and thus will shock the public credit and raise new questions of authority which the Supreme Court would probably declare to be unconstitutional. Free banking open to all, with prompt and easy redemption, supplies a currency to meet the varying wants of different periods and seasons. Who would risk such a question to the changing votes of Congress?"

I must add, however, that I do not believe the banking system would be sustained by popular opinion unless the great body of our currency was in the form of United States notes or certificates based upon coin. If there is any profit in the circulation of such notes, it ought to inure to the government. The circulation of banks should only be equal to the local demands for currency and should always be amply secured, as now, by the deposit of United States bonds, or some substitute for these bonds equally valuable, when the national bonds shall be redeemed. This security ought not to extend beyond the amount of bank notes actually outstanding, leaving the security of deposits by individuals to depend upon the assets of each bank. The duty of the government is performed when it guards with undoubted security the payment of the circulating

notes issued by the banks. In this speech I spoke of the resumption act and the history of resumption as follows:

"The resumption act was a Republican measure, supported, advocated and voted for by Republican Senators and Members, and without the aid of a single Democrat in either House of Congress. It has been adhered to and successfully executed by that party. The Republican party has won no victory more complete than the passage, execution and success of the resumption act. This measure was adopted in January, 1875, in the midst of the panic, when our paper money was worth only 85 cents on the dollar. It was a period of wild speculation and inflation. The rate of interest was higher than before or since — the government paying six per cent. in gold, corporations in fair credit from eight to ten per cent., and individuals from ten to twelve per cent. Recklessness in contracting debts was universal. Railroads were built where they were not needed; furnaces were put up in excess of all possible demands; and over-production and over-trading occurred in all branches of business. The balance of trade for ten years had been steadily against us, with an aggregate excess of imports over exports of over $1,000,000,000.

"The panic of 1873 put an end to all these wild, visionary schemes, and left the country prostrate and in ruin. All business enterprises were paralyzed. Congress, in a hopeless quandary, looked in vain for some way of escape from the bankruptcy which threatened every interest and every individual. Then it was the Republican party devised and placed upon the statute book the resumption act, and, against noisy opposition and continual speaking, steadily persevered in its execution.

* * * * * * * * *

"Now that resumption is a success, Democrats say the Republican party did not bring it about, but that Providence has done it; that bountiful crops here and bad crops in Europe have been the cause of all the prosperity that has come since resumption. We gratefully acknowledge that Providence has been on the side of the Republican party, or rather, that, having sought to do right, we find ourselves supported by Divine Providence, and we are grateful to the Almighty for the plentiful showers and favorable seasons that brought us good crops; but we also remember that it was the passage of the resumption act, the steady steps toward resumption, the accumulation of the coin reserve, the economy of the people, and their adjustment of business affairs to the time fixed for resumption, that, with the blessings of Divine Providence, brought us resumption.

"We should be, and are, thankful to the Almighty, but we are under no thanks whatever to the Democratic party. It has not, for twenty-five years, had Providence on its side, but we may fairly infer that, as it has steadily resisted Providence and patriotic duty for more than twenty years, it must have had the devil on its side. Democrats can claim no credit, but

stand convicted of a blundering mistake in abandoning the old and tried principles of their party, and following after strange gods with the hope of a brief and partial success. They have failed, and that dogma for hard money, which they abandoned, has been adopted by the Republican party, as the corner stone of its greatest success."

I spoke at Albany, Rochester, and Syracuse, and, on my way to Washington, at New Brunswick, New Jersey.

After the election in Ohio, I received several letters from members of the legislature, offering their support to me as a candidate for United States Senator, to be elected in January to succeed Mr. Thurman, for the term commencing on the 4th of March, 1881. Among them was a letter from L. M. Dayton, a member of the general assembly from Hamilton county, to which I replied as follows:

WASHINGTON, D. C., November 2, 1879.

MY DEAR SIR:— Your note of the 30th ult., in which you inquire whether I will be a candidate for election as Senator of the United States in place of Senator Thurman, is received.

Early last summer, when this subject was first mentioned to me by personal friends, I freely expressed my conviction that as the general assembly of Ohio had three times conferred upon me this high and much coveted honor, I ought not to stand in the way of others who might fairly aspire to that position. I am of the same opinion now. During the recent canvass I stated to several gentlemen who had been named in the public press as probable candidates, that I would not be a candidate, and I could not now recede from that position without just reproach.

Please say so to your fellow members, and accept my hearty thanks for your partiality. Very truly yours, JOHN SHERMAN.

HON. L. M. DAYTON, Cincinnati, Ohio.

I also wrote the following letter to Senator A. B. Cole, of Portsmouth, in reply to a similar offer:

WASHINGTON, D. C., November 11, 1879.

MY DEAR SIR:—Your very kind letter of the 10th inst. is received. I thank you again for your offer to support me for the Senate, but you will have seen from the letter I wrote to Colonel Dayton, that I have determined, under the circumstances stated therein, not to be a candidate, so that members may feel entirely free to follow their judgment in the selection of the Senator. I must be impartial between the several candidates.

I thank you also for what you say about the nomination for the presidency. Such a nomination would be a very exalted honor, so much so that

I ought not to do anything to promote or to defeat it. I would be very glad to get the hearty cordial support of the Ohio delegation, and that being granted I am perfectly willing to abide the decision of the national convention, and will be ready to support anyone who is nominated.

I should be glad to see your son, and hope you will give him a letter of introduction to me. Very truly yours,

JOHN SHERMAN.

HON. A. B. COLE, Portsmouth, Ohio.

Cornell was elected Governor of New York, and with him a Republican legislature. The elections generally that fall were in favor of the Republican party, but, as both Houses of the 46th Congress were Democratic, President Hayes had to conduct executive business with a Congress not in political harmony with him until the 4th of March, 1881, when the term of Congress and of the President expired. I feel bound to say that no merely obstructive, financial measures were adopted during that Congress.

The message of the President, communicated to Congress on the 1st of December, 1879, dealt with the usual topics of such a document; but, instead of commencing with our foreign relations as usual, he began by congratulating Congress on the successful execution of the resumption act and the funding of all the public debt redeemable, into bonds bearing a lower rate of interest. He recommended the suspension of the coinage of the silver dollar, and the retirement from circulation of United States notes with the capacity of legal tender. He held that the issue of such notes during the Civil War was not authorized except as a means of rescuing the country from imminent peril, and the protracted use of them as money was not contemplated by the framers of the law. While I did not concur in all the views stated by the President, especially as to the policy of retiring United States notes then in circulation, yet his general conclusions in favor of the coin standard were, in my view, sound and just. I was very willing to hold on to the progress made in making United States notes equivalent to coin rather than to attempt to secure their retirement from circulation.

In the report made by me as Secretary of the Treasury I stated my opinion that the existing law was ample to enable

the department to maintain resumption upon the volume of United States notes then outstanding; but added, that in view of the large inflow of gold into the country, and the high price of public securities, it would seem to be a favorable time to invest a portion of the sinking fund in United States notes to be retired and canceled, and in this way gradually to reduce the maximum of such notes to the sum of $300,000,000, the amount named in the resumption act.

I would not make such a recommendation now, as I am convinced that United States notes based on coin in the treasury are the best form of currency yet devised, and that the volume might be gradually increased as the volume of business increases. Since resumption such notes have been maintained at par with coin by holding in the treasury coin to the amount of thirty per cent. of the notes outstanding. This coin, lying idle and yielding no interest, costs the government the interest on an equal amount of bonds, or a fraction over one per cent. on the sum of United States notes in circulation. These notes are a part of the debt of the United States, and if redeemed, must be paid by the issue of $346,000,000 of bonds. I see no reason why the people of the United States should not have the benefit of this cheap loan rather than the national banks, and there are many reasons why the issue of a like amount of notes by national banks cannot fill the place or perform the functions of United States notes. The issue of bank notes would be governed by the opinions and interest of the banks, and the amount could be increased or diminished according to their interests and without regard to the public good. As an auxiliary and supplement to United States notes, bank notes may be issued as now when amply secured by United States bonds, but it would be a dangerous experiment to confine our paper money to bank notes alone, the amount of which should depend upon the interest, hopes and fears of corporations which would be guided alone by the supposed interests of their stockholders.

There is another objection to a sole dependence on bank notes as currency; they cannot be made a legal tender either by the states or the United States, while it is settled by the

Supreme Court that notes of the United States may be made a legal tender, a function that ought to belong to money.

I know that my views on this subject are not entertained by the influential class of our citizens who manage our banks, but in this I prefer the opinion and interest of the great body of our people, who instinctively prefer the notes of the United States, supported by coin reserves, to any form of bank paper that has yet been devised. The only danger in our present currency is that the amount may be increased to a sum that cannot be maintained at par with coin, but the same or a greater danger would exist if the volume of paper money should be left to the interested opinion of bankers alone.

It is sometimes claimed that neither the government nor banks should issue paper money, that coin only is money. It is sufficient to say that all commercial nations have been constrained by necessity to provide some form of paper money as a substitute for coin. The experience of the United States has proven this necessity and for many years our people were compelled to rely upon state bank notes as a medium of exchange, with resulting loss and bankruptcy. For the want of paper money at the commencement of the Civil War, the United States was compelled to issue its notes and to make them a legal tender. Without this the effort to preserve the Union would have utterly failed. With such a lesson before us it is futile to attempt to conduct the business of a great country like ours with coin alone. Gold can only be a measure or standard of value, but cannot be the current money of the country. Silver also can only be used as money for the small transactions of life, its weight and bulk forbidding its use in commerce or trade. The fluctuations in market value of these metals make it impossible to permit the free coinage of both at any ratio with each other without demonetizing one of them. The cheaper money will always be the money in circulation. Wherever free coinage now exists silver is the only money, while where gold is the standard, silver is employed as a subsidiary coin, maintained at par in gold by the mandate of the government and its receipt for or redemption in gold. The only proposed remedy for this fluctuation is an agreement

by commercial nations upon a common ratio, but thus far all efforts for such an agreement have failed. If successful the result might not be as satisfactory as anticipated.

I urged, in my report, the importance of adjusting the coinage ratio of the two metals by treaties with commercial nations, and, until this could be done, of limiting the coinage of the silver dollar to such sum as, in the opinion of Congress, would enable the department to readily maintain the standard dollars of gold and silver at par with each other.

In this report I stated the refunding transactions already described, and recommended the refunding of all bonds of the United States in the same manner as they became redeemable. This was successfully executed by my successors in office. I was able to say truly of the treasury department, in conclusion:

"The organization of the several bureaus is such, and the system of accounting so perfect, that the financial transactions of the government during the past two years, aggregating $3,354,345,040.53, have been adjusted without question, with the exception of a few small balances now in the process of collection, of which it is believed the government will eventually lose less than $13,000, or less than four mills on each $1,000 of the amount involved."

The question of the legal tender quality of United States notes, discussed in my report, was followed, on the 3rd of December, by the introduction in the Senate of a resolution by Mr. Bayard as follows:

"*Resolved, etc.*, That from and after the passage of this resolution the treasury notes of the United States shall be receivable for all dues to the United States excepting duties on imports, and shall not be otherwise a legal tender; and any of said notes hereafter reissued shall bear this inscription."

This resolution, while pending in the committee, was debated at some length, and reported back adversely on the 15th of January, 1880, by Mr. Allison, from a majority of the committee. Mr. Bayard presented the views of the minority in favor of the resolution. It was subsequently discussed at considerable length by Mr. Coke, of Texas, and Mr. Bayard, on opposite sides. No definite action was taken and the matter rested, and I do not recall that it was ever again brought before the Senate. I felt satisfied with the majority report, as I

doubted the expediency or power of Congress to deny to these notes any of the qualities conferred upon them by the law authorizing their issue, as was the legal tender clause. The beneficial result of resumption was appreciated by both parties and there was no disposition in Congress to pass any legislation on the subject. The speech of Mr. Bayard, made on the 27th of January, 1880, was a careful and able review of the whole subject of legal tender, but it was evident that neither House of Congress agreed with him in opinion.

A bill in regard to refunding the debt maturing after the 1st of March, 1881, was introduced in Congress on the 27th of December, 1879, by Fernando Wood, chairman of the committee of ways and means of the House. It provided for a change of existing laws so as to limit the rate of interest upon the bonds to be issued in such refunding to not to exceed three and a half per cent. per annum. This bill, if it had passed, would have prohibited the sale of all bonds for resumption, as well as for refunding, at a greater rate of interest than three and a half per cent. I opposed this proposition, as it would impair the power of maintaining resumption in case such bonds could not be sold at par, and the existing law did not prevent the secretary from selling those already authorized at a premium. No action was taken upon the bill by that Congress, and Mr. Windom, my successor, found no difficulty in refunding these bonds on more favorable terms without any change of existing law.

On the 30th of January, 1880, I appeared before the finance committee of the Senate in response to their invitation. The committee was composed of Senators Bayard (chairman), Kernan, Wallace, Beck, Morrill, Allison and Ferry, all of whom were present. Mr. Bayard stated that a number of propositions, upon which it was desired to obtain my views, had been submitted by Senator Beck, and then read them as follows:

"1. What reason, if any, there is for refusing to pass a bill authorizing the receipt of legal tenders for customs dues.

"2. Why the trade dollar should not be converted into a standard dollar.

"3. What has been the cost of converting the interest-bearing debt, as it stood July 14, 1870, to what it is now, including double interest, commissions,

traveling expenses of agents, etc., and the use of public money by banks, and the value of its use, so as to determine whether the system should be continued or changed.

"4. The effect of the abolition of the legal tender quality of greenbacks upon the paper currency.

"5. The necessity for a sinking fund and how it is managed.

"6. Whether silver coin received in payment of customs duties has been paid out for interest upon the public debt; and if not, why not."

Senator Allison desired to know if this interview was to be stenographically reported, and the committee decided that it should be.

My answers to these questions and the colloquy with the committee in respect to details cover fifty-four printed pages, and give by far the most comprehensive statement of treasury operations during the two or three years before that meeting, and suggestions for future legislation, that had been written or published. The length of the interview prevents its introduction in full, but a statement of some portions of it may be interesting. In answer to the first question I said:

"The act of February 25, 1862 (section 3694, R. S.), provides that all the duties on imported goods shall be paid in coin; and the coin so paid shall be set apart as a special fund to be applied to two purposes, one of which is the payment in coin of interest on the bonds of the United States, and the balance to the sinking fund.

"This is an obligation of the government that its coin revenue should be applied to the payment of interest on the public debt. So long as legal tender notes are maintained at par and parties are willing to receive them in payment of coin interest, there is no objection to receiving legal tender notes for customs dues.

"Since resumption it has been the practice of the department to thus receive them, but this practice can be kept up only as long as parties holding interest obligations are willing to accept the same notes in payment thereof. If, by any unforeseen and untoward event, the notes should again depreciate in value below coin, the obligations of the government would still require that interest on the public debt be paid in coin; and if customs dues were payable in legal tender notes, the department would have no source from which to obtain the coin necessary to the payment of interest, for of course holders of interest obligations would not accept a depreciated currency when they were entitled by law to coin."

I reminded the committee that in my report of December, 1878, I stated that on the 1st of January following I would

receive United States notes for customs duties. As these notes were redeemable in coin, it was unreasonable to require the holder of notes to go to one government officer to get coin for his notes to pay customs duties to another government officer. I held that the United States notes had become coin certificates by resumption, and should be treated as such. I informed them that I issued the order with some reluctance, and only after full examination and upon the statement of the Attorney General, who thought technically I could treat the note as a coin certificate. I called their attention to the fact that I had informed Congress of my purpose to receive United States notes for customs duties and had asked specific authority to do so, but no action was taken, and I was assured that none was needed. The conversation that followed showed that they all agreed that what I did was right. It was evidently better not to provide by specific law that the United States notes should be receivable for customs dues, for in case of an emergency the law would be imperative, while, if the matter was left to the discretion of the Secretary of the Treasury, he could refuse to receive notes for customs duties and compel their payment in coin.

This led to a long colloquy as to whether the time might come when the United States notes could not be redeemed in coin. I entered into a full explanation of the strength of the government, the amount of reserve on hand, the nature of our ability, and said: "Still we know that wars may come, pestilence may come, an adverse balance of trade, or some contingency of a kind which we cannot know of in advance may arise. I therefore think it is wise to save the right of the United States to demand coin for customs duties if it should be driven to that exigency."

The question arose as to the propriety of confining redemption of notes to one place. Mr. Wallace inquired whether the government notes should not be receivable and interchangeable at every government depositary. I answered that the notes should be received everywhere at par with coin, but I doubted the propriety of paying coin for United States notes except at one place and that in New York, the natural center for

financial operations, where most of the customs dues were paid and where coin could be most safely hoarded.

Mr. Beck examined me at considerable length, and, with his usual Scotch tenacity, insisted, in spite of the attorney general, that I was not authorized to receive legal tender notes for customs dues. He asked me by what authority I claimed this power. I quoted the third section of the resumption act, and gave him a copy of my circular letter to officers of customs, dated on the 21st of December, 1878, in which, after calling attention to that section, I said:

"By reason of this act, you are authorized to receive United States notes, as well as gold coin and standard silver dollars, in payment of duties on imports, on and after the first day of January, 1879.

"Notes thus received will in every instance be deposited with the treasurer, or some assistant treasurer of the United States, as are other collections of such duties, to be redeemed, from time to time, in coin, on government account, as the convenience of the service may demand."

Mr. Beck then said:

"I desire to know, Mr. Secretary, whether it is not better, in your opinion, that the Congress of the United States should prescribe the duties of executive officers, so that they can act in pursuance of law, rather than the executive officer should be acting on his own notions of what is best?"

I replied:

"I say yes, decidedly."

Mr. Beck inquired:

"Is not that what we are proposing to do now, by the passage of this law which I seek to have enacted, and are you not opposing that condition of things?"

I replied:

"An executive officer, when there is a doubt about the law, must give his own construction of it, but should, of course, readily conform to the action of Congress as soon as it is declared. The objection I make is not to the passage of a law, but that the bill as proposed applies it to a possible future state of affairs such as did not exist when this order was made and does not now."

The subject then turned to the exchange of trade dollars for standard dollars. Mr. Beck said: "I have introduced

several bills to facilitate the exchange of trade for standard dollars." I said:

"The bill which I have here is a House bill. There is no objection in my mind to the object of this bill; that is, to provide for the exchange of the trade dollar for the standard silver dollar; the only point is whether the trade dollar shall be treated as bullion, or as a coined dollar of the United States. Now, I am clearly of the opinion that it ought to be treated as so much bullion, issued at the expense of merchants, for their convenience and benefit, and without profit to the United States, and therefore not entitled to any preference over other bullion, and we might say not to so much, because it was issued to private parties for their benefit and at their cost, but stamped by us merely to enable the coins to be used to better advantage in a foreign market. I have not, therefore, any objection to the bill if you allow us to pay the same for these trade dollars as for other bullion."

This reply led to a long examination about silver at home and in foreign markets, and the objections made to having two silver dollars, one coined for private persons, from bullion furnished by them, and the other coined for the United States from bullion purchased by it.

Mr. Beck next inquired what effect the abolition of the legal tender quality of the greenbacks would have on our paper currency. This led to a long colloquy between him and myself, in which all the laws relating to the subject and the practice of the government, from its organization to that time, were discussed.

On the question whether United States notes ought still to be a legal tender, I referred him to my report, in which I said: "The power of Congress to make them such was asserted by Congress during the war, and was upheld by the Supreme Court. The power to reissue them in time of peace, after they are once redeemed, is still contested in that court."

I soon found that Mr. Bayard and Mr. Beck were quite opposed to each other on this topic, and I suggested that I thought that the argument upon it should be between them. My own opinions were sufficiently stated in the report in which I submitted to Congress whether the legal tender should not be repealed as to all future contracts, and parties be left to stipulate the mode of payment. I said that United States notes should still be receivable for all dues to the government,

and ample provision should be made to secure their redemption on demand.

The examination, or, rather, conference, took a wide range between the members of the committee and myself. Mr. Beck pressed me to express my opinion of the legal tender which was contained in the bill introduced by him, providing for a mandatory legal tender of all forms of money. I answered:

"I do not think, Mr. Senator, you ought to ask me that question, because that is a matter you are called upon to decide and pass upon in your sphere as a Senator. I would say, on the other hand, that I do not think it ought to have any such effect. I suppose, however, Mr. Bayard would very frankly tell you what the intention of the resolution is."

Mr. Bayard then said:

"I know one thing: That banks cannot compel me to receive their notes for debts due me, nor can any man compel me to receive them. If the government owes me my salary, I think they could, perhaps, pay me in the national bank notes, under the existing law, but you cannot compel the payment of a debt between private parties with it."

I said:

"If you will allow me, I should like to amplify a little on one point: I think if Congress would take up this question of the modification of the legal tender note and make certain rules of evidence (which would be clearly constitutional), which good lawyers undoubtedly approve, declaring that where a contract is made between parties upon the basis of United States notes, it shall be presumed by courts, in the affirmance of contracts, that the payment in United States notes shall be a sufficient compliance therewith, and that, in the absence of any absolute provision to the contrary, paper money, or promises to pay money, shall be a legal tender in discharge of any obligation."

In respect to the cost of refunding, the next subject of inquiry, I was able to give them full details, with all the orders of the treasury department from the 16th of January, 1878, until the close of these operations in the summer of 1879. Many of these details had not then been published, but I furnished the fullest information possible. In response to an inquiry as to the amount of commissions paid to the national banks on account of the sale of the four per cent. bonds, a full table was exhibited of the subscriptions of, and commissions paid to, the twenty-six national banks chiefly engaged in this business, in

which the total amount of sales made by them was shown to be $552,929,100, and the amount of commissions paid was $1,363,070.34. In exhibiting these tables I said:

"Here is a table showing the sales and commissions of certain banks. I have taken all banks who sold over $1,000,000. There were twenty-six of them. The First National Bank, having been always connected with the national securities and having been the agent of the syndicate, continued to be the agent of the foreign syndicate, and continued to have altogether the largest business. They sold of the four per cent. bonds $262,625,000. The sales of the other banks are kept here in the same way. The Bank of New York (National Banking Association), I think, was the next. It sold $57,259,500. The National Bank of Commerce sold $51,684,000; the National Bank of the State of New York sold $46,915,000, and so on down."

I called attention to the fact that in the last sale of about $200,000,000 four per cent. bonds, we received one-half of one per cent. premium, or a million dollars, which nearly covered the entire commissions paid to the twenty-six banks named. Full details were given of the various loans, and it was shown that the cost of selling the last loan was less expensive to the government, in proportion to the amount sold, than any previous loan.

In reference to the sinking fund, about which I was asked my opinion, I said it was the same old question that had been so often debated. I explained that a sinking fund is nothing but an obligation or promise, on the part of the government or an individual, to pay a certain amount annually of the principal of the debt in addition to the interest. In this way the debt is gradually liquidated and the annual interest lessened. A sinking fund promised by a government is nothing more or less than a name for the surplus revenue of the government. A government without a surplus revenue cannot possibly have a sinking fund. There is no way to pay a debt except by having an income above your expenditures, and you can call your surplus revenue a sinking fund if you choose. I said that under existing law the department was required to purchase one per cent. of the entire debt of the United States each fiscal year, and to set the amount apart as a sinking fund, and to compute interest thereon to be added with the amount to

be subsequently purchased each year. This act can only be construed as an authority to purchase the debt in case of surplus revenue for the purpose.

In practice, while keeping a book account with the sinking fund, we have reduced the debt by the application of surplus revenue more rapidly than if the requirements of the sinking fund had been literally complied with. At several periods we, in fact, did not reduce the debt, but actually increased it, and especially within the last two years, but in other years of prosperity, when the revenues exceeded our expenditures, we were able to pay a much larger amount of the debt than the sinking fund required by law.

Mr. Beck said: "I propose to inquire pretty carefully, before we get through with this interview, concerning the immense reduction of the public debt which has been made, of over $700,000,000, from the highest point down to the present, so that we may be governed in the future taxation by actual requirements of the public service." He expressed his wish, after he had carefully examined the interview thus far, to continue it at a future day, but I was not again called upon.

CHAPTER XL.

The Presidential Nomination in 1880.

Talk of Grant for President for a Third Term — His Triumphal Return from a Trip Around the World — The Candidacy of Mr. Blaine and Myself — Many of My Opponents Those Who Disagreed with Me on Financial Questions — Accused of Being a Catholic and of Using Patronage to Aid in My Nomination — My Replies — Delay in Holding the Ohio State Convention — My Interview with Garfield — Resolution of the State Convention in My Favor — National Convention at Chicago on June 2, 1880 — Fatal Move of Nine Ohio Delegates for Blaine — Final Nomination of Garfield — Congratulations — Letters to Governor Foster and to Garfield — Wade Hampton and the "Ku-Klux Klan."

DURING the entire period of this session of Congress, the nomination for President by the Republican national convention was naturally the chief subject of interest in political circles. General Grant returned from his voyage around the world arriving in San Francisco in December, 1879, and from that time until he reached Washington his progress was a grand popular ovation. He had been received in every country through which he passed, especially in China and Japan, with all the honors that could be conferred upon a monarch. He made no open declaration of his candidacy, but it was understood that he was very willing to again accept the office of President. His friends openly avowed their intention to support him, and answered the popular objection against a third term by the fact that a term had intervened since he last held the office. Mr. Blaine was also an avowed candidate and had strong supporters in every part of the Union. My name was mentioned as a candidate, and it was generally supposed that one of the three would be the nominee of the Republican convention. I soon found that the fact that I held an office which compelled me to express my opinions was a drawback rather than a benefit, and, while I had the natural ambition to attain such a distinction, I was handicapped by my official position.

The friends of General Grant succeeded in getting control of the national committee and could dictate the time and place for holding the convention. Senator Cameron was chosen chairman of that committee. He openly avowed his preference for the nomination of General Grant, and exercised all his influence and power to promote it. It was decided to hold the convention on the 2nd of June, 1880, at Chicago.

The chief topic of all the newspapers and politicians was the merits and demerits of the three candidates then recognized as the persons from whom the choice was to be made. Every charge against either the personal character or conduct of each was canvassed with the broadest license, and often with great injustice. The life and conduct of General Grant were analyzed, and praised or blamed according to the bias of the speaker or writer. Mr. Blaine always had a warm and ardent support by the younger Republicans in every part of the United States. His brilliant and dashing manner and oratory made him a favorite with all the young and active politicians, but, as he was a bold and active fighter, he had enemies as well as friends. My strength and weakness grew out of my long service in the House, Senate and cabinet, but, as my chief active work was connected with the financial questions, upon which men of all parties differed widely, I had to encounter the objections of all who were opposed to my views on these questions. The idea was that in the certain contest between Grant and Blaine I might be nominated, in case either of them should fail to receive a majority of the votes cast in the convention.

It is scarcely worth while to point out the changes of opinion during the popular discussion that preceded the meeting of the convention of which every newspaper was full, the discussion being universal. Votes were taken and expression of opinion sought in every community in the United States.

My letter book at this time became a curious mixture of business and politics, so that I was early compelled to ask two of my personal friends to take an office, which I furnished them in the Corcoran building in Washington, to answer such letters as grew out of the contest, and as a place where conferences could be held by persons interested in my nomination.

In this way I severed all connection between my duties in the treasury and the necessary correspondence caused by my being named as a candidate for President. I was at once charged in the newspapers and even by personal letters, with all sorts of misdemeanors, of which I was not guilty, but which I felt it a humiliation to reply to or even to notice. Among the first was a statement that in some way or other I was under the influence of the Catholic church, and was giving Catholics an undue share of appointments. My answer is here inserted, not as important, but as a specimen of many such communications upon various subjects:

March 1, 1880.

MY DEAR SIR: — Your note of the 20th is received.

I appreciate your kindness and frankness and will be equally frank with you.

There is not one shadow of ground for the suspicion stated by you. I was born, bred, educated and ingrained as a Protestant and never had any affinity, directly or indirectly, with the Catholic church, but share the common feelings and prejudices of Protestants against the special dogmas and rites of that church. Still I believe the Catholics have as good a right to their opinions, their mode of worship, and religious belief as we have, and I would not weaken or impair the full freedom of religious belief, or make any contest against them on account of it for all the offices in Christendom. I have no sympathy whatever with the narrow dogmatic hate and prejudice of Mr. Cowles on this subject, though no doubt much of this is caused by the unfortunate fact that his daughter has become a Catholic, and I am charitable enough to take this into consideration when thinking of him. Mrs. General Sherman, it is true, is a Catholic. She was born so and will remain so. She is a good Catholic, however, in good wishes and good works, but has also too much of the dogmatism and intolerance of a sectarian for my ideas. She neither claims to have nor has any sort of influence over me.

It is a mean business to get up such a prejudice against me when men are so ashamed of it that they are afraid to avow it.

Very truly yours, JOHN SHERMAN.

HON. GEO. H. FOSTER, Cleveland, Ohio.

Another allegation made was that I was using the patronage of my office to aid in my nomination. In regard to this I wrote as follows to a friend:

"I think the impression has been made upon the public mind that the patronage of this department has been used in my favor. This ought to be met. Of the two men who parcel out the patronage of this department, one,

General Raum, commissioner of internal revenue, is a known personal friend of General Grant, appointed by him, and the great majority of the officers under that bureau are believed to be for General Grant. I have not sought to control any of them. McCormick, my first assistant secretary, was a known Blaine man. The second, Hawley, was a known personal friend of General Grant, and recently resigned to run for nomination as Governor of Illinois. McPherson, a known Blaine man, was chief of the bureau of engraving and printing, which employs some seven hundred people. The officers named have practically made all the appointments in the treasury other than the presidential ones. Probably no one who ever held my position has ever been so utterly indifferent to the distribution of patronage, except that I always insisted that good Republicans should be appointed to every position, small or great. I never inquired who they were for for President. In official letters, a copy of one of which I could furnish you if desired, I gave distinct instructions that I would not permit anyone to remain in the service who was making himself obnoxious to citizens generally, by pressing my claims or advocating my nomination for President by the next national convention, or by opposing me."

I also soon learned that nearly every applicant whose appointment I could not give or secure harbored this as a reason why I should not be nominated for President, and in three or four cases where the applicants were men of influence they opposed the selection of delegates friendly to me. I do not mention any names, for most of these gentlemen, years afterwards, became my warm friends.

I early announced that unless the State of Ohio would give me a substantial indorsement, my name would not be presented to the convention. James S. Robinson was the chairman of the state committee and A. L. Conger was a prominent member. They disagreed as to the time of holding the state convention for the appointment of delegates to the national convention, which my friends were anxious to have at as early a period as possible, so that the position of Ohio might be known to, and possibly influence the action of, other states. The disagreement between these two gentlemen resulted in a postponement of the convention until a period so late that before it met most of the delegations were selected by the other states. That was thought to be inimical to my success, and led to ill-will and contention. Governor Dennison and Governor Foster had frankly and openly avowed their purpose

to support my nomination, and actively did so. They advised me of the condition of opinion from time to time, and early represented that I might reasonably expect the support of all the districts, except perhaps those represented by Garfield and McKinley, and the Toledo district.

I went to Mansfield on private business about the latter part of March, and as usual was called upon to make a speech, which I did, in Miller's Hall, on the 31st of March, and which was reported in full at the time. I stated my position in regard to the nomination, as follows:

"By the course of recent events, and not by my own seeking, my name is mentioned among those from whom the Republican party will select one to carry its banner in the approaching presidential contest. It is not egotistic to state this fact, and it would not be manly to shrink from the criticism and scrutiny which such a choice necessarily invites and provokes.

"I accepted the position without a pretense of mock modesty, because I do not think it right to allow friends to put themselves to trouble on my account without a frank avowal that I was willing to accept, and without delaying until certain of success; but with a firm determination not to detract from the merits or services of others, nor to seek this lofty elevation by dishonorable means or lying evasions or pretense. In this way, and in this way only, am I a candidate; but with great doubt whether, if nominated, I would meet the expectations of friends, and resolved in case of failure that I will abide, cheerfully and kindly, by the choice of the convention.

"There is one condition, scarcely necessary to state, upon which my candidacy depends, and that is, if the Republicans of Ohio do not fairly and fully, in their convention, express a preference for me, and support me with substantial unanimity in the national convention, my name will not be presented to that convention with my consent.

"This, fellow-citizens, is about all, and is perhaps more than I ought to say about personal matters, for in the great contest in which we are about to engage, the hopes, ambitions, and even the lives, of men, are of but little account compared with the issues involved."

I proceeded, then, to discuss the political questions of the day.

During the month of April delegates were selected from the different congressional districts of the state to attend the state convention, to meet on the 28th of that month. Prior to the convention the question of the nomination was the subject of discussion in every district. The sentiment in my favor was

clearly expressed in nearly every county or district of the state. On the 8th of April I wrote the following letter to a friend:

"McKinley is still in Ohio, and I presume will be there for some days. I have to-day written to him at Canton covering the points you name. You had better write to him yourself giving the list of appointments desired.

"There is a strong feeling that Garfield, in order to save his district, should go to the Chicago convention as a delegate. He is placed in a very awkward attitude now. If this district should be against my nomination it would be attributed to either want of influence on his part, or, what is worse, a want of sincerity in my support. In view of the past this would be a very unfortunate thing for him. This is a delicate matter for me to take any part in, and I leave it entirely to your good judgment and kind friendship."

While in Ohio I had a consultation, at Columbus, with Governor Foster, ex-Governor Dennison, and a number of other personal friends, all of whom expressed great confidence that by the time the state convention met, the friendly feeling in favor of Blaine, in some of the districts of Ohio, would be waived in deference to the apparent wishes of the great majority. In that event, in case my nomination should prove impracticable, the whole delegation could be very easily changed to Mr. Blaine. As to General Grant, though he had many warm personal friends in Ohio, yet, on account of objections to a third term, very few desired his nomination.

Prior to the state convention I had an interview with General Garfield which he sought at my office in the department, and he there expressed his earnest desire to secure my nomination and his wish to be a delegate at large, so that he might aid me effectively. He had been chosen, with little or no opposition, United States Senator, to fill the place of Thurman, whose term expired March 4, 1881. I had not a doubt of the support of Governor Foster, with whom I had been in close correspondence, and who expressed a strong desire for my nomination. I was permitted practically to name the four delegates at large, and had implicit confidence that these delegates would take the lead in my behalf.

The state convention, which met on the 28th of April, was exceptionally large, and was composed of the leading Republicans of Ohio, who proceeded at once to the business before

them. The persons named by the convention as delegates at large to the national convention, to assemble in Chicago on June 2, were William Dennison, James A. Garfield, Charles Foster and Warner M. Bateman, who were instructed for me. The following resolution of the convention expressed the preference of the Republicans of Ohio in favor of my nomination, and recommended that the vote of the state be cast for me:

"*Resolved*, That the great ability, invaluable services, long experience, full and exalted character, and unwavering fidelity to Republican principles, of our distinguished fellow-citizen, John Sherman, entitle him to the honors and confidence of the Republican party of Ohio, and of the country. His matchless skill and courage as a financier have mainly contributed to accomplish the invaluable and difficult work of resumption and refunding the public debt, and made him the trusted representative, in public life, of the business interests of all classes of the American people. He has been trained from the beginning of his public life in advocacy of the rights of man, and no man has been more unfaltering in his demand that the whole power of the government should be used to protect the colored people of the south from unlawful violence and unfriendly local legislation. And in view of his services to his country, and his eminent ability as a statesman, we, the Republican party of Ohio, present him to the Republican party of the country, as a fit candidate for President, and respectfully urge upon the Republican convention at Chicago, his nomination, and the district delegates are respectfully requested to vote for his nomination."

The trend of public sentiment, as shown by the newspapers, indicated that Grant and Blaine would each have a very strong following in the national convention, but that the contest between them might lead to my nomination. After the state convention, it was generally assumed that I would receive the united vote of the delegation in conformity with the expression of opinion by the convention. During this period a few leading men, whose names I do not care to mention, made a combination of those unfriendly to me, and agreed to disregard the preference declared by the state convention.

During the month of May the feeling in my favor increased, and many of the leading papers in New York and in the eastern states advocated my nomination as a compromise candidate.

At this time I was in constant communication with General Garfield, by letters and also by interviews, as we were both in Washington. On the 10th of May he wrote me:

"I think it will be a mistake for us to assume a division in the Ohio delegation. We should meet and act as though we were of one mind, until those delegates who are hostile to you refuse to act with us, and if we fail to win them over, the separation will be their act, not ours."

The national convention met June 2, 1880. It was called to order in the Exposition Hall, Chicago, by Senator J. Donald Cameron, and a temporary organization, with Senator George F. Hoar as president, was soon perfected. An effort was made by the friends of General Grant to adopt the unit rule, which would allow a majority of each state to determine the vote of the entire delegation. This was rejected.

Four days were occupied in perfecting the permanent organization, and the nomination of candidates for President. During this time a minority of nine of the delegation of Ohio announced their determination to vote for Blaine. This was a fatal move for Blaine, and undoubtedly led to his defeat. Nearly four-fifths of the delegation were in favor of my nomination, in pursuance of the express wishes of the Ohio convention, but they were all friendly to Blaine, and whenever it should have become apparent that my nomination was impracticable, the whole delegation could easily have been carried for him without a division, and thus have secured his nomination. The action of these nine delegates, who refused to carry out the wishes of the state convention, prevented the possibility of the vote of Ohio being cast for Mr. Blaine.

Long before the convention I had declared, in a published interview, that "Blaine is a splendid man, able and eminently fit for President. If nominated he will find no one giving him a heartier support than myself." We were connected by early ties of association and kinship, and had been and were then warm friends. Blaine, when confident of the nomination, said of me: "To no living man does the American people owe a deeper debt of gratitude than to John Sherman, for giving them resumption with all its blessings. As Secretary of the Treasury he has been the success of the age. He is as eminently fit

for President as any man in America, and should he be nominated all I am capable of doing will be done to aid in his election. Should it be my fortune to become President, or should it fall to the lot of any Republican, no one elected could afford to do less than invite Secretary Sherman to remain where he is." The folly of a few men made coöperation impracticable. I received opposition in Ohio from his pretended friends, and he therefore lost the Ohio delegation, which, but for this defection, would have made his nomination sure had I failed to receive it.

The speech of General Garfield nominating me has always been regarded as a specimen of brilliant eloquence rarely surpassed, the close of which I insert:

"You ask for his monuments. I point you to twenty-five years of national statutes. Not one great beneficent law has been placed on our statute books without his intelligent and powerful aid. He aided to formulate the laws that raised our great armies, and carried us through the war. His hand was seen in the workmanship of those statutes that restored the unity of the states. His hand was in all that great legislation that created the war currency, and in a still greater work that redeemed the promise of the government, and made our currency the equal of gold. And when at last called from the halls of legislation into a high executive office, he displayed that experience, intelligence, firmness, and poise of character which has carried us through a stormy period. The great fiscal affairs of the nation, and the great business interests of our country, he has preserved, while executing the law of resumption and effecting its object, without a jar, and against the false prophecies of one-half the press and all the Democracy of this continent. He has shown himself able to meet with calmness the great emergencies of the government for twenty-five years. He has trodden the perilous heights of public duty, and against all the shafts of malice has borne his breast unharmed. He has stood in the blaze of 'that fierce light which beats upon a throne,' but its fiercest ray has found no flaw in his armor, no stain on his shield."

On the first ballot 9 of the Ohio delegation voted for Mr. Blaine, 34 for me and 1 for Edmunds. The general result was 304 for Grant, 284 for Blaine, 93 for Sherman, 34 for Edmunds, 30 for Washburne, 10 for Windom. The vote of my friends would have nominated Blaine at any period of the convention, but under the conditions then existing it was impossible to secure this vote to either Blaine or Grant.

The final result was the selection of a new candidate and the nomination of Garfield.

It is probable that if I had received the united vote of the Ohio delegation I would have been nominated, as my relations with both General Grant and Mr. Blaine were of a friendly character, but it is hardly worth while to comment on what might have been. The course of the Ohio delegation was the subject of severe comment, and perhaps of unfounded suspicions of perfidy on the part of some of the delegates.

As soon as I heard of the movement to nominate Garfield I sent the following telegram to Mr. Dennison:

WASHINGTON, June 8, 1880.

HON. WILLIAM DENNISON, Convention, Chicago, Ill.

Whenever the vote of Ohio will be likely to assure the nomination of Garfield, I appeal to every delegate to vote for him. Let Ohio be solid. Make the same appeal in my name to North Carolina and every delegate who has voted for me. JOHN SHERMAN.

The moment the nomination was made I sent the following dispatch to Garfield at Chicago:

WASHINGTON, June 8, 1880.

HON. JAMES A. GARFIELD, Chicago, Ill.

I congratulate you with all my heart upon your nomination as President of the United States. You have saved the Republican party and the country from a great peril, and assured the continued success of Republican principles. JOHN SHERMAN.

I understood that the health of Governor Dennison, who had faithfully represented me in the national convention, was somewhat impaired by his confinement there, and invited him to join me in a sail on the Chesapeake Bay, spending a few days at different points. He accepted and we had a very enjoyable trip for about ten days.

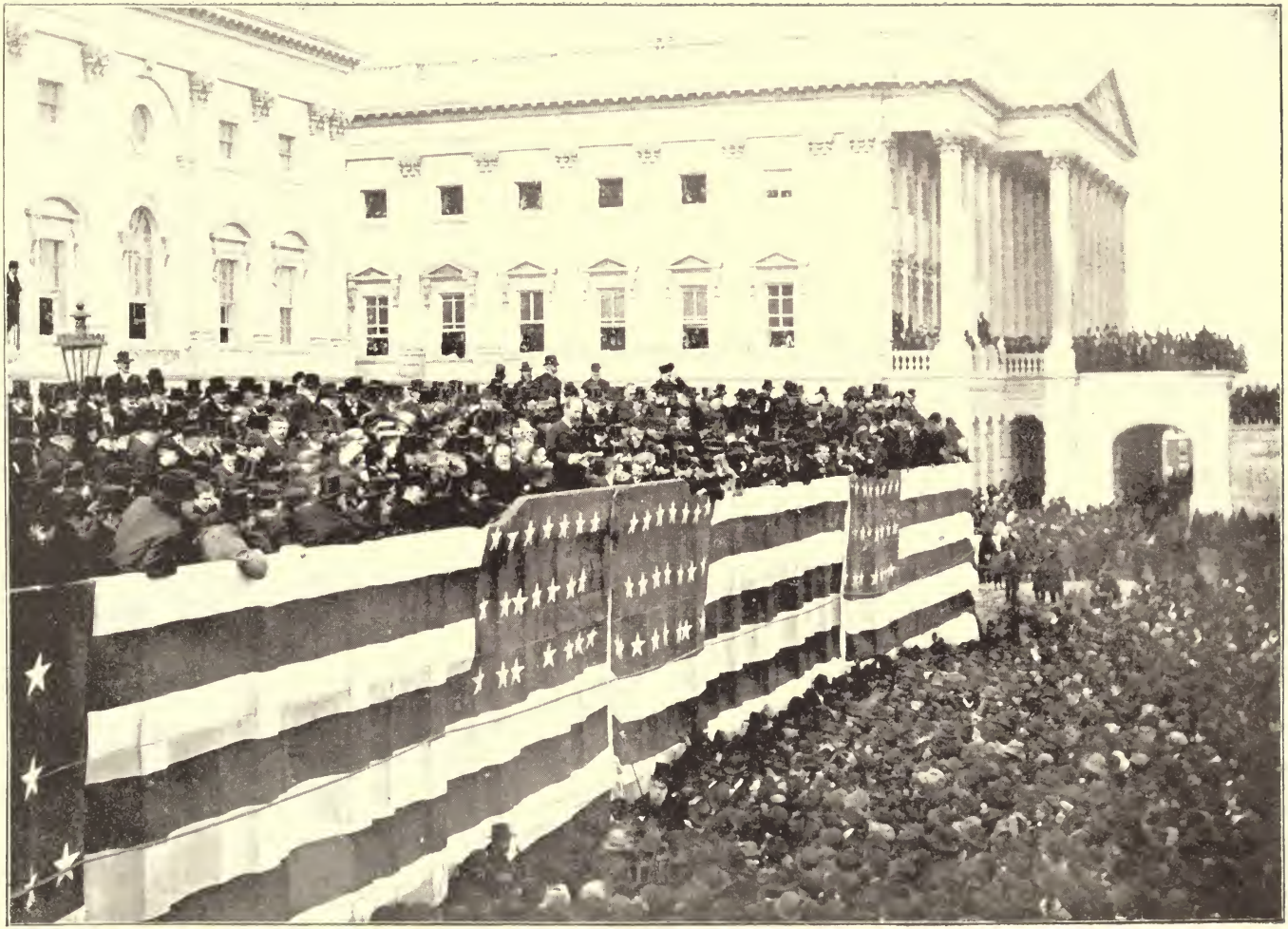
During this trip I wrote, for the 4th of July issue of the New York "Independent," an article on Virginia and state rights. I had promised to do this some time before but could not find an opportunity, and availed myself of the quiet of the cruise to fulfill my promise. The history of Virginia has always had for me a peculiar interest, mainly because of the leading part taken by that state in the American Revolution.

The great natural resources of the state had been neglected, the fertility of the soil on the eastern shore had been exhausted, and no efforts had been made to develop the vast mineral wealth in the mountains along its western border. The destruction of slavery and the breaking up of the large farms and plantations had discouraged its people, and I thought, by an impartial statement of its undeveloped resources, I might excite their attention and that of citizens of other states to the wealth under its soil. This article, written in a friendly spirit, excited the attention and approval of many citizens of the state, and brought me many letters of thanks.

In time I became thoroughly advised of what occurred at the Chicago convention and had become entirely reconciled to the result, though frequently afterwards I heard incidents and details which occasioned me great pain and which seemed to establish the want of sincerity on the part of some of the delegates, and tended to show that for some time before the meeting of the convention the nomination of General Garfield had been agreed upon. After its close I had numerous letters from delegates from other states, complaining bitterly of the conduct of the Ohio delegation and giving this as a reason why they had not voted for me. I was assured that large portions of the Massachusetts, Connecticut, New Jersey, and other delegations, had notified Governor Foster that they were ready to vote for me whenever their vote was required, but no such request came from him. The matter had been made the subject of public discussion in the newspapers. I was content with the result, but was deeply wounded by what I could not but regard as a breach of faith on the part of some of the Ohio delegation, and especially of Governor Foster, who had been fully advised of my feelings in regard to his course. I received a letter from him, on the 23rd of June, answering the allegations that had been publicly made in regard to him, and explaining his action. In reply I wrote him the following letter:

WASHINGTON, D. C., June 30, 1880.

DEAR SIR:—Your letter of the 23rd came while I was still absent on the Chesapeake Bay. I regret that I did not see you, for a free conversation would be far more satisfactory than letter writing.



UNIVERSITY OF CALIFORNIA

I wish to be perfectly frank with you, as since I first became acquainted with you I have felt for you warm friendship, and have always had entire confidence in you. I confess, however, that the information I received in regard to your operations at Chicago had greatly weakened this feeling and left a painful impression upon my mind that you had not done by me as I would have done by you under like circumstances. Your letter chased away much of this impression, and, perhaps, the better way would be for me to write no more, but to treat your letter as entirely satisfactory and conclusive. Still I think it right for me to give you the general basis of the impressions I had formed.

My first impulse was to send you at once a mass of letters from delegates and others attending the convention, but this would only create a controversy, and, perhaps, betray confidence, which I could not do. The general purport of these letters is that, while you spoke freely and kindly of me, yet there was always a kind of reserve in favor of Blaine and a hesitation in pressing me that indicated a divided opinion, that partly by the divisions in the Ohio delegation and partly by the halfway support of yourself, and, perhaps others, the Ohio delegation lost its moral strength and, practically, defeated me before any ballot was had.

This general impression I could have passed by, but it was distinctly stated to me, by delegates and friends of delegates present in the convention, that they proffered the votes of large portions of their respective delegations to you with the understanding that they were to be cast for me whenever you indicated the proper moment. This was specifically said as to Indiana, Massachusetts, Connecticut and the Blaine portion of the Pennsylvania delegation. It was said that you prevented Massachusetts from voting for me from about the tenth to the fifteenth ballot on Monday, that nine of the Connecticut delegates held themselves ready to vote for me on your call, but that you put it off, and Harrison is quoted as saying that twenty-six votes from Indiana were ready to be cast for me on Monday, at any time after a few ballots, but they were withheld on account of representations from the Ohio delegation. Mr. Billings, of Vermont, is quoted as saying that the Vermont delegation, with two or three exceptions, were ready to vote for me, but were discontented with the position taken by you, and doubted whether you desired their vote for me.

These and many other allegations of similar import, coming one after the other, led me to believe that you had changed the position you took in the early part of the canvass, and had come to the conclusion that it was not wise to nominate me, and that other arrangements for your future influenced you in changing your opinion. This impression caused me more pain than anything that has transpired since the beginning of the contest.

I assure you I have no regrets over the results of the convention. Indeed, the moment it was over, I felt a sense of relief that I had not had for six months.

The nomination of Garfield is entirely satisfactory to me. The only shade that rests on this feeling is the fact that Garfield went there by my

selection to represent me and comes from the convention with the honor that I sought. I will do him the justice to say that I have seen no evidence that he has contributed to this result except by his good conduct in the presence of the convention. I had always looked with great favor upon the contingency that if I was not nominated after a fair and full trial and Blaine was, you would be the candidate for the Vice Presidency, and had frequently said to mutual friends that this was my desire. The contingency of Garfield's nomination I did not consider, for I supposed that as he was secure in the Senate for six years, he would not desire the presidential nomination, but as it has come to him without his self-seeking it is honorable and right and I have no cause of complaint. If I believed that he had used the position I gave him to supplant me, I would consider it dishonorable and would not support him; but, while such statements have been made to me, I feel bound to say that I have never seen nor heard from credible sources any ground for such an imputation, and, therefore, he shall have my earnest and hearty support.

There are one or two features of this canvass that leave a painful impression upon me. The first is that the opposition to me in Ohio was unreasonable, without cause, either springing from corrupt or bad motives, or from such trivial causes as would scarcely justify the pouting of a schoolboy.

I receive your frank statement with confidence and act upon it, will treat you, as of old, with hearty good will and respect, and will give no further credence to the stories I hear. You can have no knowledge of the extent of the accusations that have been made against you.

Very truly yours. JOHN SHERMAN.

HON. CHARLES FOSTER, Columbus, Ohio.

With this letter I sought to divest myself of all feeling or prejudice growing out of the recent canvass.

At the close of the fiscal year and the preparation of the usual statements made at that time, there was a period of rest, of which I availed myself by taking an excursion along our northeastern coast. The quiet of the voyage, the salt air, and the agreeable companions, were a great relief from the confinement and anxiety of the previous months. Upon my return to New York from this outing, on the 19th of July, I found two letters from General Garfield, both relating to the progress of the canvass, and asking my opinion of his letter of acceptance. In reply I wrote him:

NEW YORK, July 19, 1880.

MY DEAR SIR:— Your letter of the 16th was received by me this morning. When I left Washington, about the 1st of July, I felt very much debilitated by the heat and by the long mental struggle through which I had

passed. I have had the benefit now of three weeks quiet and rest, mostly on the ocean, avoiding, whenever possible, all political talk, and feel, in consequence, greatly refreshed and invigorated. I take the outward voyage *via* Fortress Monroe to Washington, arriving there on Thursday.

I received the telegraphic invitation to speak at Chicago but could not accept, as I must give some relief to French and Upton upon my return.

I have received letters and telegrams from Nash about his proposed canvass, and highly approve it. I do not see, however, how it is possible for me to prepare a speech during the present month. I now propose to write a political letter in response to one from Chicago, which I believe will have a wider circulation than a campaign speech. During the latter part of August or the first of September, which is as early as the active campaign ought really to commence, I will be prepared to make several speeches in Ohio, and, perhaps, in other states. This is my present plan. I regard Indiana and New York as the pivotal states, and there the struggle should be.

Your letter of acceptance I approve heartily, although I thought you yielded a little too much in one or two sentences on the civil service question. Although politicans have undertaken to ridicule and belittle the efforts of President Hayes to bring about some sort of civil service reform, yet the necessity of such a reform is so ingrafted in the minds of the leading sensible people of the northern states that anything like an abandonment of that idea will not meet favor. I agree with you that it can only be done by the coöperation of Congress, and it would be a great stroke of public policy if Congress could be prevailed upon to pass a law prescribing a reasonable tenure for civil office, with such guards against arbitrary removals as would make the incumbents somewhat independent in their opinions and actions. I had a conversation with Fletcher Harper, at Long Beach, on Saturday, which leads me to think that he is anxious upon this subject and also upon the financial question.

The silver law threatens to produce within a year or so a single silver standard, and already there is a feeling of uneasiness in New York as to whether we can maintain resumption upon the gold standard while the silver law remains. I could at any moment, by issuing silver freely, bring a crisis upon this question, but while I hold my present office I certainly will not do so, until the gold reserve is practically converted into silver, a process that is going on now at the rate of nearly two millions a month. I have no fear, however, of being forced to this issue during my term, and I hope Congress will come together next winter in such temper that it may arrest the coinage of the silver dollar, if it will not change the ratio. This question, however, is a very delicate one to discuss in popular assemblages, and I propose, therefore, in my speeches, to make only the faintest illusions to it, not surrendering, however, our views upon the subject, for upon this, I take it, we are entirely agreed.

I feel very hopeful of success. In this state business men are generally satisfied, and your support is so strong that, even if inclined, the Conkling

Republicans will not dare oppose or shirk the contest. I hear different stories about Conkling, but believe that in due time he will do what he can, though his influence is greatly overrated. A too active support by him would excite the prejudices of hosts of people here who are determined not to follow where he leads. Very sincerely yours,

JOHN SHERMAN.

HON. JAMES A. GARFIELD, Mentor, O.

After the 19th of July I was at my desk, busily engaged in the routine duties of my office, until, in accordance with the following request of General Garfield, I visited New York to attend a conference of Republicans, as to the conduct of the pending canvass:

MENTOR, O., July 31, 1880.

DEAR MR. SHERMAN:—I understand that the national Republican committee have asked you to meet with them for consultation, in New York, on the 5th prox.

At their unanimous and urgent request, I have reluctantly consented to attend, but I shall esteem it a great favor if you will also go.

Very truly yours, J. A. GARFIELD.

HON. JOHN SHERMAN, Washington, D. C.

More than two hundred prominent Republicans from all parts of the country met on the 5th of August, among whom were Senators Blaine and Logan, Marshall Jewell, Thurlow Weed, and Edwards Pierrepont. I was called upon to make an address. The only passage I wish to quote is this:

"The Republican party comes before the business men of this country—with all its evidences of reviving prosperity everywhere—and asks whether they will resign all these great affairs to the solid south, headed by Wade Hampton and the Ku-Klux Klan, and a little segment of these northern states, calling themselves the Democratic party."

More than a month afterwards, Governor Hampton wrote me a letter complaining of my connecting him with the "Ku-Klux Klan," and the following correspondence ensued:

DOGGERS' SPRINGS, September 17, 1880.

To HON. JOHN SHERMAN, Secretary of the Treasury.

SIR:—Some days ago I saw a report of your speech at a conference held by the national Republican committee, at the Fifth Avenue Hotel, New York, and you were quoted as having used the following language: 'And now you are asked to surrender all you have done into the hands of Wade Hampton and the Ku-Klux, and the little segment in the north that is called

the Democratic party.' May I ask if you used these words, and, if you did so, did you mean to connect me, directly or indirectly, with what was known as the Ku-Klux Klan?

Requesting an early reply, addressed to me, care of Augustus Schell, Esq., New York, I am, very respectfully, your obedient servant,

WADE HAMPTON.

WASHINGTON, D. C., September 21, 1880.

HON. WADE HAMPTON, care of Augustus Schell, Esq., New York.

SIR:—Your note of the 17th inst. is received, in which you inquire whether, at the conference held by the national Republican committee, at the Fifth Avenue Hotel, New York, I used the language attributed to me as follows: 'And now you are asked to surrender all you have done into the hands of Wade Hampton and the Ku-Klux, and the little segment in the north that is called the Democratic party.' In reply, I have to advise you, that while I do not remember the precise language, I presume the reporter correctly stated, in a condensed way, his idea of what I said. I no doubt spoke of you as the leading representative of the Democratic party in the south, and referred to the Ku-Klux Klan as the representative of the barbarous agencies by which the Democrats have subverted the civil and political rights of the Republicans of the south.

I did not connect you personally with the Ku-Klux Klan. Indeed, I knew that you had, in one or two important instances, resisted and defeated its worst impulses. I appreciate the sense of honor which makes you shrink from being named in connection with it. Still, you and your associates, leading men in the south, now enjoy benefits of political power derived from atrocities of the Ku-Klux Klan, in which phrase I include all the numerous *aliases* by which it has, from time to time, been known in the south. Your power in the southern states rests upon the actual crimes of every grade in the code of crimes—from murder to the meanest form of ballot-box stuffing committed by the Ku-Klux Klan and its kindred associates, and, as you know, some of the worst of them were committed since 1877, when you and your associates gave the most solemn assurance of protection to the freedmen of the south.

These crimes are all aimed at the civil political rights of Republicans in the south, and, as I believe, but for these agencies, the very state that you represent, as well as many other states in the south, would be represented, both in the Senate and House, by Republicans. But for these crimes the boast attributed to you, that one hundred and thirty-eight solid southern votes would be cast for the Democratic ticket, would be but idle vaporing; but now we feel that it is a sober truth.

While I have no reason to believe that you or your northern associates personally participated in the offenses I have named, yet, while you and they enjoy the fruits of these crimes, you may, in logic and morals be classed as I classed you, as joint copartners with the Ku-Klux Klan in the policy which

thus far has been successful in seizing political power in the south, and which it is hoped, by the aid of the small segment of the Democratic party in the north, may be extended to all the departments of the government. It is in this sense that I spoke of you, the Ku-Klux Klan and the northern Democratic party.

Permit me, in conclusion, while frankly answering your question, to say the most fatal policy for the south would be by such agencies as I have mentioned to secure again political ascendency in this country, for I assure you that the manhood and independence of the north will certainly continue the struggle until every Republican in the south shall have free and unrestricted enjoyment of equal civil and political privileges, including a fair vote, a fair count, free speech and free press, and agitation made necessary to secure such results may greatly affect injuriously the interests of the people of the south.

Very respectfully, your obedient servant,

JOHN SHERMAN.

CHARLOTTESVILLE, VA., October 1, 1880.

To HON. JOHN SHERMAN.

SIR:—Your letter has been received. As you do not disclaim the language to which I called your attention, I have only to say that in using it you uttered what was absolutely false, and what you knew to be false. My address will be Columbia, S. C.

I am your obedient servant, WADE HAMPTON.

TREASURY DEPARTMENT,
WASHINGTON, D. C., October 18, 1880.

To HON. WADE HAMPTON, Columbia, S. C.

I have to acknowledge the receipt of your note of the 1st inst., handed me unopened by Mr. C. McKinley, a few moments ago, after my return from the west. I had this morning read what purported to be an extract of a speech made by you, published in the Charleston 'News and Courier,' and upon your general reputation as a gentleman had denied that you had made such a speech or written such a letter as is attributed to you in that paper. What I stated to you in my letter of September 21, I believe to be true, notwithstanding your denial, and it can be shown to be true by public records and as a matter of history. As you had, long before your letter was delivered to me, seen proper to make a public statement of your views of the correspondence, I will give it to the press without note or comment, and let the public decide between us. Very respectfully,

JOHN SHERMAN.

This correspondence excited a good deal of attention, and broke off all social relations between us. We afterwards served for many years in the Senate together, but had no intercourse

with each other except formal recognition while I was president of the Senate. I always regretted this, for I did not feel the slightest enmity to General Hampton, and recognized the fact that while enjoying the office he held as the result of the crimes of the Klan, yet he and his colleague, M. C. Butler, were among the most conservative and agreeable gentlemen in the Senate, and the offenses with which I connected his name were committed by his constituents and not by himself.

CHAPTER XLI.

My Last Year in the Treasury Department.

Opening of the 1880 Campaign in Cincinnati — My First Speech Arraigned as "Bitterly Partisan" — Letter from Garfield Regarding the Maine Election — Ohio Thought to Be in Doubt — Many Requests for Speeches — Republican Ticket Elected in Ohio and Indiana — A Strange Warning from Detroit Threatening Garfield with Assassination — The Latter's Reply — My Doubts About Remaining in the Treasury Department or Making an Effort for the Senate — Letter to Dalzell — Last Annual Report to Congress in December, 1880 — Recommendations Regarding Surplus Revenue, Compulsory Coinage of the Silver Dollar, the Tariff, etc. — Bills Acted Upon by Congress.

DURING July and August I received many invitations to speak on political topics, but declined all until about the 1st of September. In anticipation of the election of Garfield, and his resignation as Senator, I was, as early as July, tendered the support of several members of the legislature who had voted for him for Senator, and who wished to vote for me in case he resigned. I replied that I would prefer the position of Senator to any other, that I resigned my seat in the Senate to accept the office of Secretary of the Treasury, and would be gratified by a return to my old position, but only in case it came to me as the hearty choice of the general assembly. During the month of August the two assistant secretaries, who had been for a year confined to the department and upon whom the duties of secretary had devolved during my recent absence, went on their usual vacation, so that I was fully occupied during office hours with the routine business of the department.

My first speech of the campaign was made on Monday, the 30th of August, in Cincinnati. It was carefully prepared, and delivered in substance as printed. My habit has been for many years, at the beginning of a political canvass, to write

or dictate a speech and hand it to the press associations, to be printed in the newspapers only after the speech is made. This is done for the convenience of the press and to secure an accurate report. The speech at Cincinnati, thus prepared, was not read by me, but I spoke from briefs which enabled me to substantially follow it. Subsequent speeches had to vary according to the nature and mood of the audience, or the political subject exciting local interest and attention. At Cincinnati I gave a comparison of the principles, tendency, and achievements of the two great parties, and the reasons why the Democratic party wanted a change in the executive branch of the government. I contrasted the aims and policy of that party, at each presidential election from 1860 to 1880, with those of the Republican party, and expressed my opinion of the effects that would have followed their success at each of those elections. I stated in detail the results secured during the last four years by the election of a Republican President. These included the resumption of specie payments, the refunding and the steady reduction of the public debt, the faithful collection of the revenue, economy of public expenditures, and business prosperity for which I gave the causes, all of which were opposed or denied by the Democratic party. I entered into detail on the measures proposed by the then Democratic Congress, the motive of them, and the ruinous effects they would produce, and alleged that the changes proposed were dictated by the same policy that was adopted by Buchanan and the active leaders of the War of the Rebellion and by the corrupt power that controlled the city of New York. I replied to the charges of fraud made as to the election of President Hayes, that the alleged fraud consisted in the judgment of the electoral commission created by the Democrats that Hayes was duly elected. I narrated the gross crimes of the Ku-Klux Klan and kindred associations to control the elections in the south, and the attempted bribery of an elector in Oregon.

This speech was arraigned as bitterly partisan, but it was justified by facts proven by the strongest evidence. I have recently carefully read it, and, while I confess that its tone

was bitter and partisan, yet the allegations were clearly justified. At this time such fraud and violence could not be practiced in the south, for the tendency of events has quieted public sentiment. The lapse of time has had a healing effect upon both sections, and it is to be hoped that hereafter parties will not be divided on sectional lines.

The Cincinnati speech had one merit, in that it furnished speakers and the public the exact statistics of our financial condition in advance of my annual report to Congress in December. I made speeches each week day in Ohio and Indiana until the 11th of September, when I returned to Washington.

The election in Maine, which occurred early in September, was unfavorable to the Republican party, and caused General Garfield some uneasiness. He wrote me the following letter:

MENTOR, OHIO, September 17, 1880.

HON. JOHN SHERMAN, WASHINGTON, D. C.

MY DEAR SIR:—Yours of the 15th inst. is received. I hear in many ways the same account which you give of the cause of our falling off in Maine. The latest news indicates that we have carried the election after all, but our people claimed too much, and the moral effect of it may be bad in some of the doubtful states. Still, so far as I can see, every Republican is more aroused and determined than ever.

I think we should now throw all our force into Indiana and Ohio until the October election. Indiana is now more thoroughly organized by our people than it has been for many years, and I believe that nothing can defeat us, except importations and purchases by the Democracy. I have not known the Republicans of that state so confident in six years as they now are, and every available help should be given them to win the fight. I have learned certainly that the Democrats intend to make a powerful raid upon Ohio, for the double purpose of beating us if they can, and specially in hopes that they may draw off our forces in Indiana.

I know you can accomplish a great deal, even while you are in Washington, but I hope you will give as much time as possible to the canvass here and in Indiana—especially give us the last ten days.

Very truly yours, J. A. GARFIELD.

I replied on the 22nd of September that the assured election of Plaisted, the fusion electoral ticket in Maine, and many things in my correspondence, made me feel exceedingly anxious about the result of the election, that my advices from Ohio were not satisfactory, and I felt that we must exert ourselves

to the utmost to insure victory at our October election. "I think from my standpoint here," I said, "I can get more certain indications of public opinion that anyone can while canvassing. I therefore have determined to go to Ohio the latter part of this week, and to devote the balance of the time, until the election, to the campaign." I also advised him that I had arranged to have several other speakers go to Ohio.

To this he replied:

MENTOR, OHIO, September 25, 1880.

MY DEAR SIR:—Yours of the 22nd inst. is received. I am glad that you are coming back to take part in the canvass. Within the last ten days it has become evident that money is being used in large amounts in various parts of this state. Reports of this come to me in so many independent ways that I cannot doubt it. I was in Toledo on the 22nd to attend the reunion of the 'Army of the Cumberland,' and my friends there were thoroughly alarmed. They said the Democrats had an abundance of money, and that those in Toledo were contributing more than they had done for many years.

I think our friends should push the business aspect of the campaign with greater vigor than they are doing, especially the tariff question which so deeply affects the interests of manufacturers and laborers. The argument of the 'solid south' is well enough in its way, and ought not to be overlooked, but we should also press those questions which lie close to the homes and interests of our own people. Very truly yours,

J. A. GARFIELD.

HON. JOHN SHERMAN, Washington, D. C.

About this period I received an invitation to speak in New York, but doubted the policy of accepting, and answered as follows:

WASHINGTON, D. C., September 20, 1880.

MY DEAR SIR:—Your note of the 17th, inviting me to address the citizens of New York, under the auspices of your club, during the campaign, is received. Please accept my thanks for the courteous manner in which your invitation is expressed.

I will be compelled to remain here until the 4th of October and then go to Ohio and Indiana to engage in the canvass, which will carry me to the 15th or 16th of October. I have been urged also to go to Chicago and Milwaukee, and have made promises in several cities in the eastern states, especially in Brooklyn; so that I do not see how it is possible for me to accept your kind invitation. I have also some doubt whether it would be politic to do so. It seems to be the determination of a certain class of Republicans in New York to ignore or treat with dislike President Hayes and

his administration, and to keep alive the division of opinion as to the removal of Arthur. From my view of the canvass the strength of our position now is in the honesty and success of the administration. While I have no desire to contrast it with General Grant's, yet the contrast would be greatly in favor of President Hayes. The true policy is to rise above these narrow family divisions, and, without disparagement of any Republican, unite in the most active and zealous efforts against the common enemy. Senator Conkling does not seem to have the capacity to do this, and the body of his following seem to sympathize with him. I doubt, therefore, whether my appearance in New York would not tend to make divisions rather than to heal them, to do harm rather than good. I am so earnestly desirous to succeed in the election that I would even forego a self-defense to advance the cause. Very truly yours,

JOHN SHERMAN.

HON. B. F. MANIERRE, Ch. Rep. Central Campaign Club, New York.

On the first of October I left Washington for Mansfield and spoke at a mass meeting there on Saturday evening, the 2nd. The canvass on both sides was very active and meetings were being held in all parts of the state. The meeting at Mansfield held in the open square both in the afternoon and evening, was very large. I spoke each day except Sunday during the following week, at different places in Ohio and Indiana. Confidence in Republican success grew stronger as the October election approached. After the vote was cast it was found that the Republican state ticket was elected by a large majority in both these states. In pursuance of previous engagements, I spoke at Chicago, Racine, and Milwaukee, after the October election. The speeches at Chicago and Milwaukee were reported in full and were circulated as campaign documents. During the latter part of the month of October I spoke at the city of Washington and in Bridgeport, Norwalk and New Haven, Connecticut, and at Cooper Institute in the city of New York, and then returned home to vote at the November election.

The result was the election of a large majority of Republican electors and the certainty of their voting for Garfield and Arthur as President and Vice President of the United States. I had done all that it was possible for me to do to bring about that result and rejoiced as heartily as anyone, for I thoroughly believed in the necessity of maintaining Republican ascendency

in the United States, at least until a time when the success of the opposite party would not endanger any of the national results of the war or the financial policy of President Hayes' administration.

On the day after the election General Garfield wrote me the following letter:

MENTOR, OHIO, November 4, 1880.

MY DEAR SIR: Yours of the 1st inst. came duly to hand, and was read with much interest. The success of the election is very gratifying. The distrust of the solid south, and of adverse financial legislation, have been the chief factors in the contest. I think also that the country wanted to rebuke the attempt of the Democrats to narrow the issue to the low level of personal abuse. I am sure that all our friends agree with me that you have done very important and efficient work in the campaign.

I may go to Washington before long to look after my personal affairs. If I do not, I hope to have some other opportunity of seeing you.

Very truly yours, J. A. GARFIELD.

HON. JOHN SHERMAN, Washington, D. C.

I received a letter from a Mr. Hudson, of Detroit, which expressed a fear that General Garfield was in serious danger of assassination, giving particulars. I sent it at once to Garfield, and received from him the following answer, very significant in view of the tragedy that occurred the following summer:

MENTOR, O., November 16, 1880.

MY DEAR SIR: The letter of Mr. Hudson, of Detroit, with your indorsement, came duly to hand. I do not think there is any serious danger in the direction to which he refers, though I am receiving what I suppose to be the usual number of threatening letters on that subject. Assassination can no more be guarded against than death by lightning; and it is not best to worry about either. I expect to go to Washington before long to close up some household affairs, and I shall hope to see you.

With kind regards, I am, very truly yours, J. A. GARFIELD.

HON. JOHN SHERMAN, Washington, D. C.

Immediately after the election of General Garfield, and until the 18th of December, there was a continuous discussion as to who should be the successor to Senator Thurman. This was the senatorship to which Garfield had been elected and now declined to fill. I received many letters from members of the legislature expressing their wish that I should be restored to the Senate, and offering to vote for me. They generally assumed that I would have the choice between remaining

in the treasury department under President Garfield and becoming a candidate for the Senate. Among the letters received by me was one from Mr. Thorpe, a member from Ashtabula county, Ohio, and a personal friend. I thought it right to tell him frankly the dilemma in which I was placed by the discussion in the papers. This letter expressed my feelings in regard to the matter and I therefore insert it:

WASHINGTON, D. C., November 15, 1880.

MY DEAR SIR:—Your letter of the 11th relieves me from some embarrassment. I am very thankful to you for the tender of your services and continued hearty friendship. I will avail myself of it to tell you confidentially the difficulty under which I labor.

The letter to Dalzell was not intended for publication, but was simply a hurried reply to one of two or three long letters received from him. Still the letter stated in substance my feeling, and he probably intended no wrong but rather thought he would benefit me. Both before and since, I have been overwhelmed with letters remonstrating against my leaving my present position, as if I had any choice.

As a matter of course, General Garfield must decide this without haste and free from all embarrassment, but in the meantime I am at a loss what to do. I cannot properly say to my correspondents that I would stay in the treasury if invited to do so, nor can I ask gentlemen to commit themselves until they know definitely what I wish. I cannot afford to be a candidate unless I expect to succeed. I believe, from information already received, that I can succeed, but only after a struggle that is distasteful to me, and which I cannot well afford. I can only act upon the assumption that General Garfield will desire to make an entire change in his cabinet, and upon that basis I would gladly return to the Senate as the only position I could hold, or, if there was any doubt about election, I would cheerfully and without discontent retire from public life. I have now at least a dozen unanswered letters on my table from members of the legislature, tendering their services, and stating that I ought to explicitly inform them my wishes, most of them assuming that I have a choice. I intend to answer them generally that, if elected, I would consider it the highest honor and I would then accept and serve. So I say to you: If I enter the canvass I must depend upon my friends without being able to aid them actively, and with every advantage in the possession of Foster. Such a contest, I see, will open up trouble enough in the politics of Ohio, whatever may be the result. With this explicit statement you will understand best how to proceed. I would regard the support of Senator Perkins as of the utmost importance. After awhile I can give you the names of a score at least of others who avow their preference for me. Very truly yours, JOHN SHERMAN.

HON. F. THORPE, Geneva, O.

The letter to Dalzell referred to was hastily and carelessly written, without any expectation of its publication. It was as follows:

To Hon. J. M. Dalzell, Caldwell, Ohio.

My Dear Sir:—Your kind note of the 4th is received, for which please accept my thanks. I prefer to do precisely what you recommend, await the judgment of the general assembly of Ohio, unbiased by any expression of my wish in the matter referred to. I do not know what is the desire of General Garfield, but I can see that my election might relieve him from embarrassment and free to do as he thinks best in the formation of his cabinet. Again thanking you for your kind offer, I am very truly yours.

John Sherman.

The papers, while taking sides between Foster and myself, exaggerated the danger and importance of the contest and thus unduly excited the public mind, for either of us would have cheerfully acquiesced in the decision of the general assembly. Strong appeals were made to Foster to withdraw, especially after it was known that I would not be Secretary of the Treasury in the incoming administration. No such appeals came to me, nor did I take any part in the controversy, but maintained throughout the position taken in my letter to Mr. Thorpe.

In November, 1880, I was engaged in the preparation of my annual report sent to Congress December 6. The ordinary receipts for the fiscal year ending June 30, 1880, were $333,526,610.98. The total ordinary expenditures were $267,642,957.78, leaving a surplus revenue of $65,883,653.20, which, with an amount drawn from cash balance in treasury, of $8,084,434.21, made a surplus of $73,968,087.41, which sum was applied to the reduction of the public debt. The sinking fund for this year was $37,931,643.55, which, deducted from the amount applied to the redemption of bonds, left an excess of $35,972,973.86 over the amount actually required for the year. Compared with the previous fiscal year, the receipts for 1880 increased $62,629,438.23. The increase of expenditures over the previous year was $25,190,360.48. I estimated that the receipts over expenditures for the fiscal year ending June 30, 1881, would be $50,198,115.52.

During the period from 1874 to 1879 the United States had failed to pay on the public debt $87,317,569.21, that being the

deficiency of the sum fixed by law to be paid during those years for sinking fund. Deducting from this sum the amount paid in excess for the fiscal year 1880, there was a balance still due on account of the sinking fund of about $50,000,000. This would be met by the estimated surplus of receipts over expenditures during the fiscal year, 1881, thus making good the whole amount of the sinking fund as required by law.

The estimated revenue over expenditures for the fiscal year ending June 30, 1882, including the sinking fund, was $48,000,000.

Upon this favorable statement I recommended to Congress that instead of applying this surplus revenue, accruing after the current fiscal year, to the extinction of the debt, taxes be repealed or modified to the extent of such surplus. A large portion of the surplus of revenue over expenditures was caused by the reduction of the rate of interest and the payment on the principal of the public debt. The reduction of annual interest caused by refunding since March 1, 1877, was $14,290,453.50, and the saving of annual interest resulting from the payment of the principal of the public debt since that date was $6,144,737.50. The interest was likely to be still further reduced during the following year, to an amount estimated at $12,000,000, by the funding of the bonds. To the extent of this annual saving, amounting to $32,000,000, the public expenditures would be permanently diminished.

In view of this statement, I recommended that all taxes imposed by the internal revenue laws, other than those on bank circulation and on spirits, tobacco and beer, be repealed. I urged that the tax on state banks should be maintained, not for purposes of revenue, but as a check upon the renewal of a system of local state paper money, which, as it would be issued under varying state laws, would necessarily differ as to conditions, terms and security, and could not, from its diversity, be guarded against counterfeiting, and would, at best, have but a limited circulation.

The public debt which became redeemable on and after the 1st of July, 1881, amounted to $687,350,000. I recommended that to redeem these bonds there should be issued treasury

notes running from one to ten years, which could be paid off by the application of the sinking fund as they matured. Such treasury notes would have formed a popular security always available to the holder as they could have been readily converted into money when needed for other investment or business. They would have been in such form and denominations as to furnish a convenient investment for the small savings of the people, and fill the place designed by the ten dollar refunding certificates authorized by the act of February 26, 1879. I stated my belief that with the then state of the money market a sufficient amount of treasury notes, bearing an annual interest of three per cent., could be sold to meet a considerable portion of the maturing bonds.

Congress did not pass such a law as I recommended, but the plan adopted and executed by my successor, Mr. Windom, was the best that could have been devised under existing law, resulting in a very large reduction of the amount paid for interest yearly. He allowed the holders of the maturing bonds to retain them at the pleasure of the government, with interest at the rate of three and a half per cent.

I recited the action of the department under the resumption act, but this has already been fully described by me. In respect to United States notes I said:

"United States notes are now, in form, security, and convenience, the best circulating medium known. The objection is made that they are issued by the government, and that it is not the business of the government to furnish paper money, but only to coin money. The answer is, that the government had to borrow money, and is still in debt. The United States note, to the extent that it is willingly taken by the people, and can, beyond question, be maintained at par in coin, is the least burdensome form of debt. The loss of interest in maintaining the resumption fund, and the cost of printing and engraving the present amount of United States notes, is less than one-half the interest on an equal sum of four per cent. bonds. The public thus saves over seven million dollars of annual interest, and secures a safe and convenient medium of exchange, and has the assurance that a sufficient reserve in coin will be retained in the treasury beyond the temptation of diminution, such as always attends reserves held by banks."

I expressed the opinion that the existing system of currency, the substantial features of which were a limited amount of

United States notes (with or without the legal tender quality), promptly redeemable in coin, with ample reserves in coin and power if necessary to purchase coin with bonds, supplemented by the circulating notes of national banks issued upon conditions that would guarantee their absolute security and prompt redemption, all based on coin of equal value, and generally distributed throughout the country, was the best system ever devised, and more free from objection than any other, combining the only safe standard with convenience for circulation and security and equality of value.

After a statement of the amount of standard silver dollars issued under existing law, I described the measures adopted to facilitate the general distribution and circulation of these coins, and the great expense incurred by the United States in transporting them. With all these efforts it was found difficult to maintain in circulation more than thirty-five per cent. of the amount then coined. While, at special seasons of the year and for special purposes, this coin was in demand, mainly in the south, it returned to the treasury, and its reissue involved an expense for transportation at an average rate of one-third of one per cent. each time. Unlike gold coin or United States notes, it did not, to the same extent, form a part of the permanent circulation, everywhere acceptable, and, when flowing into the treasury, easily paid out with little or no cost of transportation. At a later period, when the amount of silver dollars had largely increased, the department was never able to maintain in circulation more than $60,000,000.

For the reasons stated I earnestly recommended that the further compulsory coinage of the silver dollar be suspended, or, as an alternative, that the number of grains of silver in the dollar be increased so as to make it equal in market value to the gold dollar, and that its coinage be left as other coinage to the Secretary of the Treasury, or the Director of the Mint, to depend upon the demand for it by the public for convenient circulation. After a statement of the great cost of the coinage of these dollars, I recommended that Congress confine its action to the suspension of the coinage of the silver dollar, and await negotiations with foreign powers for the adoption of an

international ratio. I expressed the conviction that it was for the interest of the United States, as the chief producer of silver, to recognize the great change that had occurred in the relative market value of silver and gold in the chief marts of the world, to adopt a ratio for coinage based upon market value, and to conform all existing coinage to that ratio, while maintaining the gold eagle of our coinage at its present weight and fineness.

I called attention, also, to the tariff as it then existed. It was a compilation of laws passed during many succeeding years, and to meet the necessities of the government from time to time. These laws furnished the greater part of our revenue, and incidentally protected and diversified home manufactures. The general principle upon which they were founded was believed to be salutary. No marked or sudden change, which would tend to destroy or injure domestic industries built up upon faith in the stability of existing laws, should be made in them. I recommended that *ad valorem* duties should be converted into specific duties as far as practicable, and that articles which did not compete with domestic industries, and yielded but a small amount of revenue, should be added to the free list. I urged the importance of stability in the rates imposed on spirits, tobacco and fermented liquors. These articles were regarded by all governments as proper subjects of taxation. Any reduction in the rates imposed a heavy loss to the owner of the stock on hand, while an increase operated as a bounty to such owner.

During that year the excess of exports over imports amounted to $167,683,912. The aggregate exports amounted to $835,638,658, an increase over the previous year of $125,199,217.

The usual statement of the operations of the different bureaus of the department was made, and, in closing my last annual report as Secretary of the Treasury, I said:

"The secretary takes pleasure in bearing testimony to the general fidelity and ability of the officers and employes of this department. As a rule they have, by experience and attention to duty, become almost indispensable to the public service. The larger portion of them have been in the department more than ten years, and several have risen by their

efficiency from the lowest-grade clerks to high positions. In some cases their duties are technical and difficult, requiring the utmost accuracy; in others, they must be trusted with great sums, where the slightest ground for suspicion would involve their ruin; in others, they must act judicially upon legal questions affecting large private and public interests, as to which their decisions are practically final. It is a just subject of congratulation that, during the last year, there has been among these officers no instance of fraud, defalcation, or gross neglect of duty. The department is a well organized and well conducted business office, depending mainly for its success upon the integrity and fidelity of the heads of bureaus and chiefs of divisions. The secretary has, therefore, deemed it both wise and just to retain and reward the services of tried and faithful officers and clerks.

"During the last twenty years the business of this department has been greatly increased, and its efficiency and stability greatly improved. This improvement is due to the continuance during that period of the same general policy, and the consequent absence of sweeping changes in the public service; to the fostering of merit by the retention and promotion of trained and capable men; and to the growth of the wholesome conviction in all quarters that training, no less than intelligence, is indispensable to good service. Great harm would come to the public interests should the fruits of this experience be lost, by whatever means the loss occurred. To protect not only the public service, but the people, from such a disaster, the secretary renews the recommendation made in a former report, that provision be made for a tenure of office for a fixed period, for removal only for cause, and for some increase of pay for long and faithful service."

The chief measure of importance, aside from the current appropriation bills, acted upon during that session of Congress, was a bill to facilitate the refunding of the national debt. It was pending without action during the two preceding sessions, but was taken up in the early part of the third session. As the bill was originally reported, by Mr. Fernando Wood, from the committee of ways and means of the House of Representatives, it provided that in lieu of the bonds authorized by the refunding act of July 14, 1870, bearing five, four and a half, and four per cent. interest, bonds bearing interest at the rate of three and a half per cent. to the amount of $500,000,000, redeemable at the pleasure of the United States, and also notes to the amount of $200,000,000, bearing interest at the rate of three and a half per cent., redeemable at the pleasure of the United States after two years and payable in ten years, be issued.

The Secretary of the Treasury was authorized to issue any of these bonds or notes for any of the bonds of the United States, as they became redeemable, par for par. The bill further provided that the three and a half per cents. should be the only bonds receivable as security for national bank circulation.

Had this bill passed, as introduced, any time before the 4th of March, 1881, it would have saved the United States enormous sums of money and would have greatly strengthened the public credit. It was in harmony with the recommendations made by the President and by myself in our annual reports. It was called up in the House of Representatives for definite action on the 14th of December, 1880, when those reports were before them. Instead of this action amendments of the wildest character were offered, and the committee which reported the bill acquiesced in radical changes, which made the execution of the law, if passed, practically impossible. The rate of interest was reduced to three per cent., and a provision made that no bonds should be taken as security for bank circulation except the three per cent. bonds provided for by that bill. Discussion was continued in the House and radical amendments were made until the 19th of January, 1881, when the bill, greatly changed, passed the House of Representatives. It was taken up in the Senate on the 15th of February. Mr. Bayard made a very fair statement of the terms and objects of the bill in an elaborate speech, from which I quote the following paragraphs:

"In little more than sixty days from this date a loan of the United States, bearing five per cent. interest, and amounting to $469,651,050, will, at the option of the government, become payable. On the 30th day of June next, two other loans, each bearing six per cent., the first for $145,786,500, and the other $57,787,250, will also mature at the option of the government. These facts are stated in the last report of the Secretary of the Treasury, and will be found on page ten of his report of last December. He has informed us that the surplus revenue accruing prior to the 1st of July, 1881, will amount to about fifty million dollars, and can and will be applied in part to the extinguishment of that debt. Bonds maturing on the 31st of December last were paid out of the accruing revenues. So that there will remain the sum of $637,350,000, to be provided for and funded at the option of the

government, at such rate of interest as may be deemed advisable by Congress and can practicably be obtained.

"The sums that we are dealing with are enormous, affecting the welfare of every branch of our country's industry and of our entire people. The opportunity for reducing the rate of interest upon this enormous sum, and not only that, but of placing the national debt more under the control of the government in regard to future payments, is now before us. The opportunity for doing this upon favorable terms should not be lost, and the only question before us, as legislators, is how we can best and most practically take advantage of the hour."

The bill as modified by the committee of the Senate would have enabled the treasury department to enter at once on the refunding of the public debt, and, in the then state of the money market, there would have been no doubt of the ready sale of the bonds and notes provided for and the redemption of the five and six per cent. bonds outstanding. The Senate, however, after long debates, disagreed to the amendments of the committee, and in substance passed the bill as it came from the House. The few amendments made were agreed to by the House, and the bill passed and was sent to the President on the 1st of March. On the 3rd of March it was returned by the President with a statement of his objections to its passage. These were based chiefly on the provision which required the banks to deposit in the treasury, as security for their circulating notes, bonds bearing three per cent. interest, which, in his judgment, was an insufficient security. His message was as follows:

"To the House of Representatives:—Having considered the bill entitled 'An act to facilitate the refunding of the national debt,' I am constrained to return it to the House of Representatives, in which it originated, with the following statement of my objections to its passage.

"The imperative necessity for prompt action, and the pressure of public duties in this closing week of my term of office, compel me to refrain from any attempt to make a full and satisfactory presentation of the objections to the bill.

"The importance of the passage, at the present session of Congress, of a suitable measure for the refunding of the national debt, which is about to mature, is generally recognized. It has been urged upon the attention of Congress by the Secretary of the Treasury and in my last annual message. If successfully accomplished, it will secure a large decrease in the annual

interest payment of the nation; and I earnestly recommend, if the bill before me shall fail, that another measure for this purpose be adopted before the present Congress adjourns.

"While in my opinion it would be wise to authorize the Secretary of the Treasury, in his discretion, to offer, to the public, bonds bearing three and a half per cent. interest in aid of refunding, I should not deem it my duty to interpose my constitutional objection to the passage of the present bill if it did not contain, in its fifth section, provisions which, in my judgment, seriously impair the value and tend to the destruction of the present national banking system of the country. This system has now been in operation almost twenty years. No safer or more beneficial banking system was ever established. Its advantages as a business are free to all who have the necessary capital. It furnishes a currency to the public which, for convenience and the security of the bill-holder, has probably never been equaled by that of any other banking system. Its notes are secured by the deposit with the government of the interest-bearing bonds of the United States.

"The section of the bill before me which relates to the national banking system, and to which objection is made, is not an essential part of a refunding measure. It is as follows:

"'SEC. 5. From and after the 1st day of July, 1881, the three per cent. bonds authorized by the first section of this act shall be the only bonds receivable as security for national bank circulation, or as security for the safe-keeping and prompt payment of the public money deposited with such banks; but when any such bonds deposited for the purposes aforesaid shall be designated for purchase or redemption by the Secretary of the Treasury, the banking association depositing the same shall have the right to substitute other issues of the bonds of the United States in lieu thereof: *Provided*, That no bond upon which interest has ceased shall be accepted or shall be continued on deposit as security for circulation or for the safe-keeping of the public money; and in case bonds so deposited shall not be withdrawn, as provided by law, within thirty days after interest has ceased thereon, the banking association depositing the same shall be subject to the liabilities and proceedings on the part of the comptroller provided for in section 5234 of the Revised Statutes of the United States: *And provided further*, That section 4 of the act of June 20, 1874, entitled "An act fixing the amount of United States notes, providing for a redistribution of the national bank currency, and for other purposes," be, and the same is hereby, repealed; and sections 5159 and 5160 of the Revised Statutes of the United States be, and the same are hereby, reënacted.'

"Under this section it is obvious that no additional banks will hereafter be organized, except possibly in a few cities or localities where the prevailing rates of interest in ordinary business are extremely low. No new banks can be organized, and no increase of the capital of existing banks can be obtained, except by the purchase and deposit of three per cent. bonds. No other bonds of the United States can be used for the purpose. The one thousand millions of other bonds recently issued by the United States, and

bearing a higher rate of interest than three per cent., and therefore a better security for the bill-holder, cannot, after the 1st of July next, be received as security for bank circulation. This is a radical change in the banking law. It takes from the banks the right they have heretofore had under the law to purchase and deposit, as security for their circulation, any of the bonds issued by the United States, and deprives the bill-holder of the best security which the banks are able to give, by requiring them to deposit bonds having the least value of any bonds issued by the government.

"The average rate of taxation of capital employed in banking is more than double the rate of taxation upon capital employed in other legitimate business. Under these circumstances, to amend the banking law so as to deprive the banks of the privilege of securing their notes by the most valuable bonds issued by the government will, it is believed, in a large part of the country, be a practical prohibition of the organization of new banks, and prevent the existing banks from enlarging their capital. The national banking system, if continued at all, will be a monopoly in the hands of those already engaged in it, who may purchase government bonds bearing a more favorable rate of interest than the three per cent. bonds prior to next July.

"To prevent the further organization of banks is to put in jeopardy the whole system, by taking from it that feature which makes it, as it now is, a banking system free upon the same terms to all who wish to engage in it. Even the existing banks will be in danger of being driven from business by the additional disadvantages to which they will be subjected by this bill. In short, I cannot but regard the fifth section of the bill as a step in the direction of the destruction of the national banking system.

"Our country, after a long period of business depression, has just entered upon a career of unexampled prosperity.

"The withdrawal of the currency from circulation of the national banks, and the enforced winding up of the banks in consequence, would inevitably bring serious embarrassment and disaster to the business of the country. Banks of issue are essential instruments of modern commerce. If the present efficient and admirable system of banking is broken down, it will inevitably be followed by a recurrence to other and inferior methods of banking. Any measure looking to such a result will be a disturbing element in our financial system. It will destroy confidence and surely check the growing prosperity of the country.

"Believing that a measure for refunding the national debt is not necessarily connected with the national banking law, and that any refunding act would defeat its own object, if it imperiled the national banking system, or seriously impaired its usefulness; and convinced that section 5 of the bill before me would, if it should become a law, work great harm, I herewith return the bill to the House of Representatives for that further consideration which is provided for in the constitution.

RUTHERFORD B. HAYES."

EXECUTIVE MANSION, March 3, 1881.

Preceding this message, during the last week of February, there was a serious disturbance in the money market, especially in connection with the national banks, caused by a fear that the bill would become a law. Appeals were made to me to furnish relief. All I could do was to purchase $10,000,000 of bonds to be paid from an overflowing treasury, but the veto of the President settled the fate of the bill.

CHAPTER XLII.

Elected to the Senate for the Fourth Time.

Blaine Appointed Secretary of State — Withdrawal of Governor Foster as a Senatorial Candidate — I Am Again Elected to My Old Position, to Succeed Allen G. Thurman — My Visit to Columbus to Return Thanks to the Legislature — Address to Boston Merchants on Finances — Windom Recommended to Succeed Me as Secretary of the Treasury — Personal Characteristics of Garfield — How He Differed from President Hayes — The Latter's Successful Administration — My One Day Out of Office in Over Forty Years — Long Animosity of Don Piatt and His Change of Opinion in 1881 — Mahone's Power in the Senate — Windom's Success in the Treasury — The Conkling-Platt Controversy with the President Over New York Appointments.

IN the latter part of November, 1880, General Garfield came to Washington and called upon Mr. Blaine, who, it was understood, was to be Secretary of State. Garfield came to my house directly from Blaine's and informed me that he had tendered that office to Blaine and that it was accepted. He said that Blaine thought it would not be politic to continue me as Secretary of the Treasury, as it would be regarded as an unfriendly discrimination by other members of Hayes' cabinet. I promptly replied that I agreed with the opinion of Blaine, and was a candidate for the Senate. It was then understood that Garfield was committed to Foster for the vacancy in the Senate, but this he denied, and, whatever might have been his preference, I am convinced he took no part in the subsequent contest.

On the 16th of December, Thomas A. Cowgill, speaker of the house of representatives of Ohio, wrote a note to Governor Foster advising his withdrawal "for harmony in our counsels and unity in our action." On the next day, after advising with leading Republicans, Foster, in a manly letter, declined further to be a candidate for Senator.

Prior to the withdrawal of Foster I received a note from General Garfield from Mentor, Ohio, under date of December

15, 1880, in which he said: "I am glad to see that the unpleasant matters between yourself and Governor Foster have been so happily adjusted, and I am quite sure that a little further understanding will remove all dangers of a personal contest, which might disturb the harmony of the party in Ohio."

I subsequently received the following note from Garfield:

MENTOR, O., December 22, 1880.

MY DEAR SIR:—Yours of the 20th inst. came duly to hand. I appreciate what you say in reference to personal and Ohio appointments. The case of Swaim is so exceptional that I hope it will not be taken as a precedent for what is to come. I am greatly gratified at the happy turn which the relations between Foster and yourself have taken.

I will forward my declination of the senatorship in time to reach the general assembly on the first day of its session.

I hope you will not fail to visit me on your trip to Ohio. Mrs. Garfield joins me in the hope that Mrs. Sherman will accompany you.

Very truly yours, J. A. GARFIELD.

HON. JOHN SHERMAN, Washington, D. C.

In response to this and former requests I visited General Garfield at his residence at Mentor, and discussed with him a multitude of subjects that he suggested, among them the selection of his cabinet, and the public questions pending in Congress.

The proceedings in the Republican caucus, on the 11th of January, 1881, soon after the Ohio legislature met, as narrated in the public press at the time, were exceedingly flattering. General Jones, of Delaware, made the nominating speech, reciting at considerable length, and with high praise, my previous public service. Peter Hitchcock, a distinguished member, seconded the nomination with another complimentary speech. It was supposed that Judge W. H. West, a leading lawyer and citizen, would be placed in nomination, but his spokesman, Judge Walker, no doubt with the approval of Judge West, moved that my nomination be made unanimous, which was done. Upon being notified of this I sent the following telegram:

WASHINGTON, D. C., January 11, 1881.

HON. J. SCOTT, Chairman.

Please convey to the Republican members of the two houses of the general assembly my heartfelt thanks for their unanimous nomination for the position of United States Senator. No words can express my sense of

grateful obligation to the people of Ohio for their long continued partiality. I can assure you that, if elected, I will, with diligence and fidelity, do my utmost to discharge the duties assigned me.

JOHN SHERMAN.

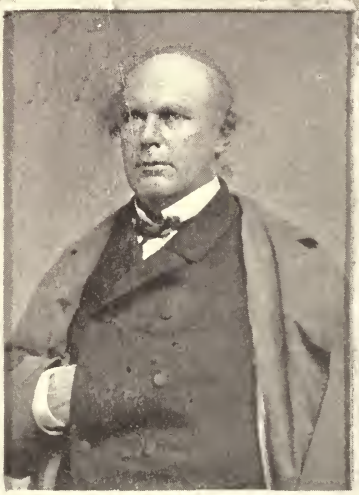
On the 18th of January I was duly elected Senator as successor of Allen G. Thurman, who received the Democratic vote.

In accordance with an old custom in Ohio I went to Columbus on the 20th of January to return my thanks to the legislature, and was received in the senate chamber by the two houses. I was escorted to a chair with Governor Foster on my right and Governor Dennison on my left, Governor Foster presiding. I was introduced by Governor Foster in a generous and eloquent speech, closing as follows:

"Now, gentlemen, a year ago at this time we were here present to meet General Garfield, to greet him as United States Senator, and to listen to his words of thanks for the great honor conferred upon him. We are met to-night for the purpose of greeting the Senator elected to-day, and to listen to his words of thanks for the great honor conferred upon him. This gentleman has been in public life twenty-six years. For six years he served as a Member of Congress from the Mansfield district, with credit and with distinction. Thrice elected a United States Senator before, for sixteen years he occupied the position of United States Senator, ever in the front rank of the intellectual giants composing that body. Called hence to be Secretary of the Treasury, this distinguished gentleman has filled that place with honor. He has been at all times the friend of resumption and of the prosperity of this people. To him, perhaps, more than to any other one man, is due the resumption of specie payments and the prosperity of this people to-day. As a great financier he stands as a peer with Hamilton, with Chase. Gentlemen, you have selected wisely and well. I now have the pleasure of presenting John Sherman, Senator-elect from the State of Ohio."

To this I responded, in part, as follows:

"GENTLEMEN, SENATORS, MEMBERS OF THE GENERAL ASSEMBLY:—My first duty is to return to you my grateful thanks for the high honor you have conferred upon me in selecting me for the fourth time a Member of the Senate of the United States. Four years ago I assumed a somewhat difficult office. And now, having been honored by you by being transferred to the position formerly occupied by me, I feel very much like a traveler who has made a long journey into a far distant country and who is returning home in safety and in honor. The place I now occupy has been one of great embarrassment and difficulty. I have been away from the people of my native state, with but scarce a few fleeting, short visits, and have lost the acquaintances



ALLEN G. THURMAN,
U. S. SENATOR FROM OHIO, 1869-81

BENJAMIN F. WADE,
U. S. SENATOR FROM OHIO, 1851-69.
[DIED MARCH 2, 1878.]

CHARLES SUMNER,
AMERICAN STATESMAN, [DIED AT WASHINGTON,
D. C., MARCH 11, 1874.]

SALMON P. CHASE,
U. S. SENATOR FROM OHIO, 1849-55
GOVERNOR OF OHIO, 1856-60.

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I have had with so many of you, and have not been able to form new acquaintances among you. I find among the members of the general assembly but comparatively few of those whom I knew in the olden times.

"I assumed the duties of the office of which I speak under circumstances of great embarrassment. I was held up before the public for a long time as one who was pursuing a policy that brought woes unnumbered—greater than befell the Greeks between Achilles and Agamemnon. All the evils that fell upon society in the United States during the period, all the grave distress, was simply attributed to me as a fault. I was compelled to say 'No' a thousand times where I would gladly have said 'Yes.' I was compelled to decline the advice of men honestly given for a good purpose, because in my judgment that advice would not promote the public good. And now, having been elected by you under those adverse circumstances, I feel my heart overflowing with gratitude, and have no words with which to utter my thanks. I am glad, however, of the assurance you have given me by the unanimous nomination of my Republican friends, and by the courtesy, kindness and forbearance of my adversaries.

"I am glad to know and feel the assurance that you now believe that, under the trying circumstances, I did the best I could to advance the common interests of our common country.

"And I am glad to approve the votes that were given by my Democratic fellow-citizens here in the contest yesterday and to-day. If any man could be chosen from the State of Ohio to advocate in the American Senate the principles of the Democratic party, there is no man in Ohio, or in the United States, more deserving of that honor than Allen G. Thurman. For many years he and I served together as representatives of opposing parties. We, each with the vigor and power we could, endeavored to impress our views upon the public, to carry out the line of policy to which our political friends were devoted. And in all that time no words of unkindness, no words of asperity, have passed between us. We never brought Ohio quarrels before the Senate of the United States, and always found that honesty and ability were entirely consistent with gentlemanly courtesy between political opponents.

"And I wish also to return my grateful acknowledgments to Governor Foster for the kindly language with which he has introduced me to you, and to many distinguished citizens of Ohio who, by their kind and generous forbearance, have enabled you, without division, to send a Senator to the Congress of the United States without a quarrel, a contest or a struggle, and I feel under obligations to the gentleman who has introduced me largely for this distinguished honor and courtesy.

"I can only say then, in conclusion, fellow-citizens, that I am glad that the opportunity of the office you have given me will enable me to come back here home to Ohio to cultivate again the relations I had of old. It is one of the happiest thoughts that comes to me in consequence of your election that I will be able to live again among you and to be one of you, and I trust in

time to overcome the notion that has sprung up within two or three years that I am a human iceberg, dead to all human sympathies. I hope you will enable me to overcome that difficulty. That you will receive me kindly, and I think I will show you, if you doubt it, that I have a heart to acknowledge gratitude—a heart that feels for others, and willing to alleviate where I can all the evils to which men and women are subject. I again thank you from the bottom of my heart."

Among the many incidents of my life I recall this as one of the happiest, when the bitterness and strife of political contests were laid aside and kindness and charity took their place. I am glad to say that the same friendly relations that existed between Senator Thurman and myself have always been maintained with each of my colleagues, without distinction of party.

Early in January I had accepted an invitation of the merchants of Boston to attend the annual dinner of their association on the 31st of that month. While the dinner was the stated object, yet I knew that the speeches to be made were the real cause of the meeting. These were to be made by Governor Long, Stewart L. Woodford and others, real orators, while I was expected to talk to them about money, debt and taxes. I met their wishes by a careful statement of the mode of refunding, or, to define that word, the process of reducing the burden of the public debt by reducing the rate of interest. I stated at length the measures executed by Hamilton, Gallatin and others, in paying in full the Revolutionary debt and that created by the War of 1812, and those adopted in recent times to reduce the interest and principal of United States bonds. The mode at each period was similar, but the amount of recent refundings was twenty times greater than the national debt at the beginning of the government, and our surplus revenue for that one year just past would have paid the debt of the United States at the close of the Revolutionary War. In all stages of our history we have preserved the public faith by the honest discharge of every obligation. Long, Woodford and others made eloquent speeches, and, on the whole, the "dinner" was a pronounced success.

After my return to Washington, Garfield continued to write me freely, especially about the selection of the Secretary of

the Treasury. In a note dated February 14 he gave me the names of a number of prominent men and his impressions about them, but I do not feel at liberty to insert it. In my answer of the date of February 16, after expressing my opinion of those named, I said:

"Since our last conversation in Mentor I have turned this important matter over and over again in my mind, and I drift back pretty nearly to the opinion I then expressed, that, assuming that a western man is to be appointed, my judgment would lead me to select, first, Windom. . . . He is certainly a man of high character, of pleasant manners, free from any political affiliations that would be offensive to you, on good terms with all, yet a man of decision."

I knew Garfield well. From his early advent in 1861 in the legislature of Ohio, when I was a candidate for the Senate, to the date of his death, I had every opportunity to study his character. He was a large, well developed, handsome man, with a pleasing address and a natural gift for oratory. Many of his speeches were models of eloquence. These qualities naturally made him popular. But his will power was not equal to his personal magnetism. He easily changed his mind, and honestly veered from one impulse to another. This, I think, will be admitted by his warmest friends. During the trying period between his election and inauguration his opinions wavered, but Blaine, having similar personal qualities, but a stronger will, gained a powerful influence with him. When I proposed to him to be a delegate at large to the Chicago convention, he no doubt meant in good faith to support my nomination. When his own nomination seemed probable he acquiesced in, and perhaps contributed to it, but after his election he was chiefly guided by his brilliant Secretary of State.

There was a striking contrast between the personal qualities of Garfield and Hayes. Hayes was a modest man, but a very able one. He had none of the brilliant qualities of his successor, but his judgment was always sound, and his opinion, when once formed, was stable and consistent. He was a graduate of Kenyon college and the law school at Cambridge. He had held several local offices in Cincinnati, had served with high credit in the Union army, and had attained the rank of

major general by conspicuous heroism in battle. He had been twice elected a Member of Congress from Cincinnati and three times as Governor of Ohio, and in 1876 was elected President of the United States. The contest which was ended by his inauguration has already been referred to. During his entire term, our official and personal relations were not only cordial, but as close and intimate as those of brothers could be. I never took an important step in the process of resumption and refunding, though the law vested the execution of these measures in my office, without consulting him. Yet, while expressing his opinion, he said this business must be conducted by me, and that I was responsible.

Early in his administration we formed the habit of taking long drives on each Sunday afternoon, in the environs of Washington. He was a regular attendant with Mrs. Hayes, every Sunday morning, at the Methodist Episcopal church, of which she was a member. This duty being done we felt justified in seeking the seclusion of the country for long talks about current measures and policy. Each of us was prepared with a memorandum of queries. My coachman, who has been with me for twenty years, could neither heed nor hear. We did not invade any of the departments of the government outside of the treasury and his official functions as President. This exchange of opinion was of service to the public, and gave to each of us the benefit of an impartial opinion from the other.

Among the multitude of public men I have met I have known no one who held a higher sense of his duty to his country, and more faithfully discharged that duty, than President Hayes. He came into his great office with the prejudice of a powerful party against him, caused by a close and disputed election. This was unjust to him, for the decision was made by a tribunal created mainly by its representatives. He went out of the office at the close of his term with the hearty respect of the American people, and his administration may be placed as among the most beneficial and satisfactory in the history of the republic.

When near the close of his term, he gave the usual dinner to the members of the outgoing and the incoming cabinets. It

was purely an official dinner, but Hayes said there were two gentlemen present who were not in office. We looked around to see who the unhappy two were, and found they were Garfield and myself. Garfield had not yet become President and I had resigned as secretary the day before. This happened to be the only day that I was not in public office since March 4, 1855.

On the 3rd of March I delivered to the President my resignation, as follows:

WASHINGTON, March 3.

HON. R. B. HAYES, President United States.

MY DEAR SIR:—Having been elected a Member of the Senate of the United States, I have the honor to resign the office of Secretary of the Treasury, to take effect this day. In thus severing our official relations, I avail myself of the opportunity to express my grateful appreciation and heartfelt thanks for the support and assistance you have uniformly given me in the discharge of the duties of that office. I shall ever cherish with pleasant memories my friendly association with you as a member of your cabinet, and shall follow you in your retirement from your great office with my best wishes and highest regards.

Very truly your friend, JOHN SHERMAN.

During my service as Secretary of the Treasury I had been arraigned in every issue of the Sunday "Capital," a newspaper published in Washington, in the severest terms of denunciation, by Don Piatt, the owner of the paper. He was a brilliant but erratic writer, formerly a member of the Ohio legislature and a native of that state. I believed that his animosity to me grew out of my reëlection to the Senate in 1865, when General Schenck, who was warmly supported by Piatt, was my competitor. Schenck and I always maintained friendly relations. He served his district long and faithfully in the House of Representatives, was a brilliant debater, had the power of condensing a statement or argument in the fewest possible words, and uttering them with effective force. Next to Mr. Corwin, and in some respects superior to him, Schenck was ranked as the ablest Member of the House of Representatives from Ohio during his period of active life, from 1840 to his death, at Washington, D. C., March 23, 1890. Schenck freely forgave me for his defeat, but Piatt never did.

At the close of my term as secretary, much to my surprise, Piatt wrote and published in his paper an article, a portion of which I trust I will be pardoned for inserting here :

"When John Sherman took the treasury, in March, 1877, it was plain that the *piece de resistance* of his administration would be the experiment of the resumption act, which John, as chairman of the Senate finance committee, had elaborated two years before, and which was then just coming upon the threshold of practical test. The question at issue was whether resumption of specie payments, after eighteen years of suspension, could be accomplished through the operation of laws of Congress, which, if not absolutely in conflict with the laws of political economy, were, to every visible appearance, several years in advance of them. Of course, the primary effect of the appreciation of our paper towards par with the standard of coin was the enhancement of the purchasing power of the circulating medium. That made it hard to pay debts which had been contracted on low scales of purchasing power. That which had been bought for a dollar worth sixty cents, must be paid for with a dollar worth eighty, ninety, or a hundred cents, according to the date at which the contract matured. Of course, such a proceeding created an awful squeeze. Many men, struggling under loads of debt, found the weight of their obligations growing upon them faster than their power to meet, and they succumbed.

"For all this John Sherman was blamed. He was named 'The Wrecker,' and the maledictions poured upon his head during the years 1877 and 1878 could not be measured. Every day the columns of the press recorded new failures, and every failure added to the directory of John Sherman's maledictors. But the man persevered. And now, looking back over the record of those two years, with all their stifled ambitions and ruined hopes, the grim resolution with which John, deafening his ears to the cry of distress from every quarter, kept his eye fixed upon the single object of his endeavor, seems hardly human—certainly not humane. And yet there are few reasoning men to be found now ready to deny that it was for the best, and, taken all in all, a benefaction to the country ; one of those sad cases, in fact, where it is necessary to be cruel in order to be kind.

"We were not a supporter of John Sherman's policy at any period of its crucial test. We did not believe that his gigantic experiment could be brought to a successful conclusion. The absurd currency theories which were from time to time set up in antagonism to his policy never impressed us ; our disbelief was based upon our fear that the commercial and industrial wreckage, consequent upon an increase of forty per cent. in the purchasing power of money within three years, would be infinitely greater than it turned out to be, and, so being, would overwhelm the country in one common ruin. But we were mistaken. John Sherman was right. And it is but common frankness to say of him, even as one would give the devil his due, that he

builded wiser than we knew—possibly wiser than he knew himself. At all events, John builded wisely.

"He took the treasury at a period when it was little more than a great national bank of discount, with rates varying from day to day; the coin standard a commodity of speculation on Wall street; the credit of the government a football in the markets of the world; and our bonds begging favor of European capitalists. He leaves it what it ought to be—a treasury pure and simple, making no discounts, offering no concessions, asking no favors; the board that once speculated in coin as a commodity abolished, doors closed by reason of occupation gone; the credit of our government at the head of the list of Christendom; since we are launching at par a three per cent. consol, which even England, banking house of the universe, has never yet been able to maintain steadily above 97.

"This is no small achievement to stand as the record of four years. It is an achievement that entitles the man who accomplished it to rank as one of the four great American financiers who really deserve the title—Robert Morris, Albert Gallatin, Salmon P. Chase and John Sherman.

"We take off our hat to John; not because we like him personally, but because we admire the force of character, the power of intellect and the courage of conviction that enabled him to face his difficulties, surmount his obstacles and overcome the resistance he met.

"The treasury he took up in 1877 was a battle ground. The treasury he resigns to his successor in 1881 is a well-ordered machine of red tape and routine, requiring for its future successful administration little else than mediocrity, method and *laissez faire*. As we said before, we take off our hat to John. He is not a magnetic man like Blaine, not a lovable man like our poor, dead friend Matt. Carpenter, not a brilliant man like our Lamar; not like any of these—warm of temperament, captivating of presence or dazzling of intellectual luminosity; but he is a great man, strong in the cold, steadfast nerve that he inherits from his ancestor, and respectable in the symmetry of an intellect which, like a marble masterpiece, leaves nothing to regret except the thought that its perfection excludes the blemish of a soul. John Sherman will figure creditably in history. Mankind soon forgets the sentimental acrimony of the moment, provoked by the suffering of harsh processes, and remembers only the grand results. Thus John Sherman will figure in history as the man who resumed specie payments; and in that the visiting statesman of 1876 and the wrecker of 1877–78 will be forgotten. We congratulate John upon his translation into the history of success as heartily as if we had been his supporter in the midst of all his tribulations. Bully for John."

George Bancroft, the eminent historian, lived in Washington many years during the latter part of his life. His house was always an attractive and hospitable one. I had many interesting conversations with him, mainly on historical subjects.

Both of us carefully eschewed politics, for to the end of his life, I think, he always regarded himself as a Democrat. I insert an autograph letter from him, written at the age of eighty-one.

1623 H Street,
Washington, D. C., February 22, 1881.

My Dear Mr. Sherman:—I thank you very much for the complete statement, you were so very good as to send me, of the time and amounts of payments made to Washington as President. Congratulating you on the high state of the credit of the United States, I remain, ever, dear Mr. Secretary, Very truly yours, Geo. Bancroft.

Before closing my recollections of the administration of President Hayes I ought to express my high appreciation of my colleagues in his cabinet. It was throughout his term a happy family. I do not recall a single incident that disturbed the sincere friendship of its members, nor any clashing of opinion that produced discord or contention. Neither interfered with the duties of the other. The true rule was acted upon that the head of each department should submit to the President his view of any important question that arose in his department. If the President wished the opinion of his cabinet on any question, he submitted it to the cabinet but took the responsibility of deciding it after hearing their opinions. It was the habit of each head of a department to present any question of general interest in his department, but as a rule he decided it with the approbation of the President. Evarts was always genial and witty. McCrary was an excellent Secretary of War. He was sensible, industrious and prudent. Thompson was a charming old gentleman of pleasing manners and address, a good advocate and an eloquent orator, who had filled many positions of honor and trust. The President regretted his resignation, to engage in the abortive scheme of De Lesseps to construct the Panama Canal. Attorney General Devens was a good lawyer and judge and an accomplished gentleman. He frequently assisted me in my resumption and refunding operations, and, fortunately for me, he agreed with me in my opinions as to the legality and expedience of the measures adopted. General Carl Schurz was a brilliant and able man and dis-

1623, H. Street,
Washington D.C.

22 February 1881.

My dear Mrs Sherman,

I thank you very much for the complete statement you were so very good as to send me of the time & amounts of payments made to Washington as president. Congratulating you on the high state of the credit of the United States. I remain ever.

dear Mr Secretary

Very truly yours

Geo. Bancroft

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charged the duties of Secretary of the Interior with ability. I had known him in the Senate as an admirable and eloquent debater, but in the cabinet he was industrious and practical and heartily supported the policy of the President and was highly esteemed by him. Key, of Tennessee, was selected as a moderate Democrat to represent the south. This was an experiment in cabinet making, cabinets being usually composed of members of the same party as the President, but Key proved to be a good and popular officer. The two vacancies that occurred by the resignations of McCrary and Thompson were acceptably filled by Governor Ramsey, of Minnesota, and Goff, of West Virginia. Each of these gentlemen contributed to the success of Hayes' administration, and each of them heartily sympathized with, and supported the measures of, the treasury department.

On the 4th day of March, 1881, I attended the special session of the Senate, called by President Hayes, and took the oath prescribed by law. In conformity with the usages of the Senate, I lost my priority on the committee on finance by the interregnum in my service, but was made chairman of the committee on the library, and a member of the committees on finance, rules, and privileges and elections. Mr. Morrill, of Vermont, became chairman of the committee on finance, and, by the courtesy of the other members, I was placed next to him on that committee. Our relations since our entrance together, in 1854, into the House of Representatives had been so intimate and cordial that it made no practical difference which of us sat at the head of the table. When I recalled the facts that in both the Senate and House of Representatives I had been chairman of the financial committee, and Mr. Morrill a member, that my service in the treasury department did not impair my fitness as chairman, but rather improved it, and that under precisely the same conditions I had restored to Mr. Fessenden his former position, I felt piqued, but my feelings did not extend to Mr. Morrill, for whom I had the highest respect and confidence, and with whom I rarely differed on any public question. He is now the Nestor of the Senate, wonderfully vigorous in mind and body.

The chief subject of political interest in this session was the attitude of William Mahone, a Senator from Virginia. He had been a distinguished officer in the Confederate army, was a small man physically, but of wonderful vitality, of undoubted courage and tenacity. He had broken from the Democratic party, of which he had been a member, and had been elected a Senator on local issues in Virginia, arising chiefly out of the debt of that state. When he entered the Senate, that body was so equally divided that his vote would determine which party should have the control of its organization. He quickly made his choice. He was viciously assailed by Senator Hill, of Georgia, who, not by name but by plain inference, charged Mahone with disgracing the commission he held. The reply of Mahone was dramatic and magnetic. His long hair, his peculiar dress and person, and his bold and aggressive language, attracted the attention and sympathy of the Senate and the galleries. He opened his brief speech as follows:

"Mr. president, the Senator has assumed not only to be the custodian here of the Democratic party of this nation, but he has dared to assert his right to speak for a constituency that I have the privilege, the proud and honorable privilege on this floor, of representing without his assent, without the assent of such Democracy as he speaks for. I owe them, sir, I owe you [addressing Mr. Hill], and those for whom you undertake to speak, nothing in this chamber. I came here, sir, as a Virginian, to represent my people, not to represent that Democracy for which you stand. I come with as proud a claim to represent that people as you to represent the people of Georgia, won on fields where I have vied with Georgians whom I commanded and others in the cause of my people and of their section in the late unhappy contest, but, thank God, for the peace and the good of the country that contest is over, and as one of those who engaged in it, and who has neither here nor elsewhere any apology to make for the part taken, I am here by my humble efforts to bring peace to this whole country, peace and good will between the sections, not here as a partisan, not here to represent the Bourbonism which has done so much injury to my section of the country."

The debate that followed soon settled the position of General Mahone. He acted with the Republican party. During the whole of this session, which extended to May 20, little was done except to debate Virginia politics, of which Mahone was the center. His vote was decisive of nearly every question presented. I took part in the long debate on the election of

officers of the Senate, mainly with Senator Bayard. My sympathy was with Mahone, as I felt that, whatever his view of the debt question in Virginia was, he was right on the reconstruction of the south and in opposition to the bitter sectionalism of the Democratic party in that state. In replying to Mr. Bayard I said that I agreed with him in the principle that the majority must rule. I claimed, however, that when the action of a minority went beyond a reasonable delay it became revolution and, in a word, it was worse than revolution, it was treason; that under the senate rules, and in conformity with them, this government might be as absolutely destroyed as the southern Confederates would have destroyed it if they had succeeded; that the rules were intended to be construed with reason and judgment; that the minority had certain rights to interpose dilatory motions in order to delay and weary out the will of the majority, but when it went beyond that limit it entered upon dangerous ground; that the simple question was whether the Senate should elect its officers by a majority vote or whether the minority should force the retention of those then in office. The session closed without electing officers of the Senate, and was in substance a debating society doing nothing but talk and acting upon presidential appointments.

The cabinet of President Garfield, as finally selected, was a good one and was promptly confirmed. Mr. Blaine, for the head of it, was determined upon early after the election, but the other members were not decided upon until near the inauguration. Mr. Windom certainly proved himself a very able and accomplished Secretary of the Treasury during the short period of his tenure. As I held myself in a large measure responsible for his appointment, I took a great interest in his success. He conferred with me freely about the best mode of refunding the large amount of bonds that became due on or before the 1st of July. Congress having failed to pass any law to provide for the refunding of this debt, he resorted to an ingenious expedient, which answered the purpose of refunding. Under a plan which was his own device there were called in, for absolute payment on July 1, 1881, about $200,000,000 of bonds, mainly the six per cent. bonds of 1861, but permission was

given to the holders of the bonds to have them continued at the pleasure of the government, with interest at the rate of three and a half per cent. per annum, provided the holder should so request, and the bonds should be received at the treasury for that purpose on or before the 10th of May, 1881. The plan proved entirely satisfactory. There were presented in due time, for continuance at three and a half per cent., the amount of $178,055,150 of bonds, leaving to be paid off from surplus revenue $24,211,400, for which the treasury had ample resources. Having succeeded in disposing of the six per cent. bonds, he gave notice that the coupon five per cent. bonds of the loans of July 14, 1870, and January 20, 1871, would be paid on August 12, 1881, with a like privilege of continuing the bonds at three and a half per cent. to such of the holders as might present them for that purpose on or before July 1, 1881. At the same time the treasurer offered to receive for continuance any of the uncalled registered bonds of that loan to an amount not exceeding $250,000,000, the remainder of the loan being reserved with a view to its payment from the surplus revenues.

The annual saving in interest by the continuance of these bonds amounted to $10,473,952.25. I heartily approved this plan. In a reported interview of the 14th of April I said:

"I see no difficulty in fully carrying out Secretary Windom's policy, so far as developed. He has ample means for reducing the interest on the five and six per cent. bonds. He can pay off all those who wish to be paid in money, in strict accordance with the terms of these bonds, leaving the mass of them at three and a half per cent. interest, payable at the pleasure of Congress. This is not only for the public interest, but is on the clear line of his power and duty. Indeed, I think it is better for the country than any refunding plan that would be carried out under a new law. The old securities remain as redeemable bonds, bearing as low a rate of interest as any new bonds would bear, which could now be sold at par, and they are more readily payable with surplus revenue than any new bonds could be. If it should appear next session that a three per cent. bond would sell at par, that can be authorized. Secretary Windom is cautious and careful, and has done the very best for the public that is possible."

"Do you think the public will be likely to respond largely to his efforts?"

"Yes, I have no doubt about it, unless an unforeseen or sudden revulsion occurs."

Mr. Windom demonstrated his ability, not only in the plan of refunding the debt, but in the general conduct and management of his department.

The administration of Garfield encountered the same difficulty as that of Hayes in the selection of officers in the State of New York. The question was, whether appointments in New York should be made by the President or by a Senator from that state. E. A. Merritt, collector of the port of New York, having been nominated for consul general at London, William H. Robertson was nominated to the Senate in his place. When the Senate considered this nomination Senator Conkling and his colleague, Senator Platt, opposed it, not for unfitness, but for the reason that they had not been consulted in the matter, and that the selection was an insult and in violation of pledges given Conkling by the President. When this opposition was known, the President withdrew previous appointments from that state, in order that the Senate might act upon the nomination of collector and definitely determine whether he or the Senators should appoint United States officers in New York. Finding the nomination of Robertson would be confirmed, both Senators resigned on the 16th of May, and made their appeal to the legislature of New York for reëlection. If they had been returned to the Senate, the President would have been powerless to appoint anyone in New York without consulting the Senators, practically transferring to them his constitutional power. Fortunately for the country the legislature of New York elected E. C. Lapham and Warner Miller in the places of Conkling and Platt.

How far, if at all, the excitement of this contest led to the assassination of Garfield by Guiteau cannot be known; yet, this tragedy occurring soon after the contest, the popular mind connected the two events, and the horror and detestation of the murder emphasized the rejection of Conkling and Platt.

The action of the President and of the New York legislature contributed to check the interference of Senators in appointments to office, which had grown up, under what is

called "the courtesy of the Senate," to be a serious abuse. The nomination of Stanley Matthews, eminently fitted for the office of justice of the Supreme Court, was confirmed by a majority of only one vote, the objections to him being chiefly such as did not relate to his fitness or qualifications for that great office, but grew out of his intimate relations with Hayes.

CHAPTER XLIII.

Assassination of Garfield and Events Following.

I Return to Mansfield for a Brief Period of Rest—Selected as Presiding Officer of the Ohio State Convention—My Address to the Delegates Indorsing Garfield and Governor Foster—Kenyon College Confers on Me the Degree of Doctor of Laws—News of the Assassination of the President—How He Differed from Blaine—Visit of General Sherman—Reception by Old Soldiers—My Trip to Yellowstone Park—Speechmaking at Salt Lake City—Visit to Virginia City—Placer Mining in Montana—The Western Hunter Who Was Lost in a "St. Louis Cañon"—Sunday in Yellowstone Park—Geysers in the Upper Basin—Rolling Stones Down the Valley—Return Home—Opening of the Ohio Campaign—Death of Garfield.

AFTER the adjournment of the Senate I went to Mansfield, and enjoyed the comfort and quiet of home life after the turbulence and anxiety of four years of severe labor as Secretary of the Treasury. The state convention was to be held at Cleveland on the 18th of June. There were signs of disaffection growing out of the events of the past year, which threatened to disturb the harmony of the Republican party. I determined to do all I could to allay this, and for that purpose to attend the convention as a delegate and promote, as far as I could, the renomination of Governor Foster. When the convention met I was selected as its president, and in my speech I took care to express my support of Governor Foster and the administration of Garfield.

I said that Governor Foster was entitled to renomination, and I believed would receive it at the hands of the convention, that his able and earnest canvass two years before had laid the foundation for a great victory, culminating in the election of Garfield as President. I called attention to the achievements of the Republican party during the past twenty-five years in war and in peace. I warned the convention that there was no room in Ohio, or in this country, for a "boss," or a leader who commands and dictates, and said: "The man who aspires

to it had better make his will beforehand." I congratulated the convention upon the auspicious opening of the administration of President Garfield and said:

"We know office-seeking is undoubtedly the proper pursuit of mankind. There may be some disappointments, because there are fewer places to fill than men willing to fill them. But, in the main, the general principles and policy of this administration are in harmony with the aspirations of the Republican party. The financial policy of the last administration has been supplemented by the reduction of the rate of interest on $500,000,000 of the public securities from five and six per cent. to three and a half per cent. This wise measure has been carefully and most skillfully managed by Secretary Windom, an Ohio boy. . . . They are saving $15,000,000 a year, and now the debt which frightened brave men fifteen years ago has melted away like snow before a summer sun, no longer frightening the timid. And now the tax on whisky will pay the interest on the public debt.

"The people of Ohio are satisfied with the administration, I believe, as it now stands. I believe I can say, in advance of the resolution that has been, or that will be, offered, that President Garfield has the emphatic approval of the Republicans of Ohio in the course he has pursued thus far. Let him further advance the public credit; let him punish all who do wrong; let him give us an administration pure, simple and republican, worthy of a nation like ours, and we will send him our approval twice over again. But, we have something to do in this task. We have got to emphasize our approval by indorsing this administration in the election of the Republican ticket this fall. This is no child's play. We know of the good work of the Republican party, that it has a powerful constituency behind it, we dare not do anything wrong, or they will push us from our positions, if we do not behave ourselves. Let us, then, do our part; work as Republicans of Ohio know how to work, and victory will perch upon our banners."

The proceedings of the convention, from beginning to end, were conducted without any serious division or excitement. The threatened outbreak against Foster did not occur. Upon the close of my speech I announced that the first business in order was the nomination of a candidate for governor. Foster was nominated by acclamation, without a dissenting voice. The rest of the ticket was composed of popular candidates, and an exceptionally good platform was adopted.

In the latter part of June, I attended alumni day of Kenyon college, in company with ex-President Hayes and many leading men of Ohio. Delano Hall, the gift of Columbus Delano, and Hubbard Hall were dedicated with appropriate services,

conducted by Bishop Bedell and President Bodine. On this occasion the degree of Doctor of Laws was conferred upon me, and I told the faculty how earnestly I had wished to graduate in their college, and why I could not do so. Frank Hurd and Mr. Hayes, both graduates, made interesting addresses. This college was founded mainly upon liberal contributions to Bishop Chase, by Lord Kenyon and other Englishmen. Its governing power was the Episcopal church. It has had many vicissitudes of prosperity and depression, but has never realized the hopes of its founders. It is one of many colleges of Ohio, excellent in their way, but if their limited resources had been combined in one great university, free from sectarian influence, the result would, in my opinion, have been much better for the youth of Ohio.

During this period I was busy putting my country house in order. I was literally "repairing my fences." The absence, during four years, of Mrs. Sherman and myself made a great change in the condition of my house, grounds and farm. The work of restoration was a pleasant one, and I was relieved from appeals for appointments, from the infinite details of an exacting office, and still more from the grave responsibility of dealing with vast sums, in which, however careful I might be, and free from fault, I was subject to imputations and innuendoes by every writer who disapproved of my policy.

I was arranging for a trip to Yellowstone Park, was receiving visitors from abroad daily, and mixing with my neighbors and fellow-townsmen, congratulating myself upon a period of rest and recreation, when, on the 2nd of July, I received from General Sherman the announcement, by telegram, that Garfield had been shot by Guiteau, and that the wound was dangerous, and perhaps fatal. The full details of this crime were soon given. I started to go to Washington, but returned when advised that I could be of no service, but continued to receive from General Sherman frequent bulletins. The position of the fatal bullet could not be ascertained, and Garfield lingered in suffering until the 19th of September, when he died.

The death of Garfield, by the hand of a half crazy crank, created a profound impression throughout the civilized world.

To rise to such a height as he had attained, and then to become the victim of such a wretch, was a calamity that excited profound sympathy for the President, and unusual detestation for the murderer. The personal qualities of Garfield have been already mentioned. After his untimely death his enemies became silent. At this distance of time we can properly fix his place in the calendar of those who have gone before. In many respects, Garfield was like Blaine, but in his personal intercourse with men, and in the power of will, he was not the equal of Blaine, while, in style of oratory, in imagery and expression, he was superior to him. Both were eminent in their day and generation. They were my juniors about eight years, yet they lived long enough to permanently stamp their names upon the history of their country.

On the 20th of July General Sherman arrived at Mansfield as my visitor. There was much curiosity to see him, especially by soldiers who had served under his command. I invited them to call at my house. On the evening of the 21st a large procession of soldiers and citizens, headed by the American band, marched to my grounds. The general and I met them at the portico, when Colonel Fink stepped forward and made a brief speech, saying:

"GENERAL SHERMAN: — We, the old soldiers of the war for the Union, of Richland county and its surroundings, together with our citizens, have come to-day to pay our respects to you.

"We come, with feelings of profound regard, to see and welcome you, our great strategic war chief, and the hero of the glorious 'March to the Sea.'

"We greet you as the general and leader of all the armies of our country; we greet you as the gallant defender of the flag; we greet you as the brother of our beloved Senator; we greet you as an Ohio man, but, above all, we have come to greet and honor you for your worth; the man that you are."

General Sherman replied briefly, and as this is the first speech I ever heard him make I insert it here. He said:

"FELLOW-SOLDIERS OF THE LATE WAR AND FELLOW-CITIZENS: — It gives me pleasure to meet you here to-night, in this beautiful grove; in this inclosure, at my own brother's home. I am glad to meet you, his neighbors and his friends. The situation is a novel one to me, and I am deeply moved by it. As I look over you I do not recognize the faces that I used to know, and when riding about your city to-day, I only found some of the names I then

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knew your Hedges, your Parkers, and your Purdys; for the rest I had to go to your cemetery, over yonder, and read their names on the tombstones. But you have them still among you in their children and their grandchildren.

"I cannot distinguish to-night who are and who are not soldiers, but let me say to you, soldiers, I am very glad to meet you again, after so many years, in this time of peace, when yet the recollection of the hardships of war is a bond of comradeship among us. We fought, not for ourselves alone, but for those who are to come after us. The dear old flag we carried through the storm of many battles, ready to die, if need be, that it might still wave over the government of our fathers.

"But this is not the time nor place to recount the events of the past. I could not now do the subject justice if I should try. I am not accustomed to addressing mixed audiences. My brother here knows how to do that better than I, and he understands you better. But I want to say to you: Teach your children to honor the flag, to respect the laws, and love and understand our institutions, and our glorious country will be safe with them.

"My friends, I heartily appreciate this splendid tribute of your friendship and respect. I thank you. Good-night."

At the conclusion of General Sherman's speech he was cheered vociferously, after which calls were made for me. I made a few remarks and announced that the general would be glad to take them all by the hand, and as he did so they passed into the dining room, where refreshments awaited them. The greetings and hand-shaking lasted over an hour. In the meantime the "soldier boys" and others were enjoying the good cheer within.

On the 22nd of July General Sherman, with Colonel Bacon, left for Clyde, Ohio, and I at the same time started for Chicago, there to be joined by Justice Strong, late of the Supreme Court, who had recently retired at the age of 70, the artist Bierstadt, and Alfred M. Hoyt, of New York, for a trip to the Yellowstone Park. We had arranged for this trip months before. Our plan was a simple one, to go at our convenience by the Union Pacific, the only railroad route then open, to Salt Lake City, and thence to Virginia City, thence through the Yellowstone Park, and by another route to return to Virginia City, and thence home. We were to take the usual route and means of conveyance until we arrived at Virginia City. From there we were to have an escort, to and through the park, of ten United States soldiers from Fort Ellis.

The party met at Chicago and proceeded to Ogden and Salt Lake City. At the latter place we casually met several gentlemen of our acquaintance, especially General Harrison, Eli Murray, Governor of the Territory of Utah, and General McCook, who commanded the post in Salt Lake City. We spent a day or two in visiting the post and city, and found a great improvement since my former visit. In the evening we were serenaded by the band from the post, and several gentlemen were called out for speeches by the gathering crowd. I had been met during my stay there by many people who claimed to hail from Ohio, so that I began to think it was quite an Ohio settlement. In the few remarks I made at the serenade I eulogized Ohio and spoke of the number of Ohio people I had met in that city. General McCook was called out, and as he was from Ohio he had something to say for that state. General Harrison was called upon, and he said that while he lived in Indiana he was born in Ohio and was proud of it. General Murray was next called for and he said that while he was born in Kentucky he lived so close to Ohio that he could throw a stone into the state. So much had been said about Ohio that Judge Strong took offense. They called upon him to address the crowd from the balcony, but he would not. Finally, upon my urging him to speak, he rushed forward and said: "I want you to understand distinctly that I am not from Ohio. I was not born in Ohio. I never lived in Ohio, and don't want to hear anything more about Ohio!" This was vociferously cheered, and the old gentleman closed with very proper remarks about love for the Union instead of for the state.

Since that time I have visited Salt Lake City and have always been impressed with the great value of that region, not only for its mineral wealth, but for the possibility of great agricultural development with proper irrigation.

During our stay we bathed in Salt Lake. The water was so impregnated with salt that our bodies floated upon the surface and there was no danger of drowning. The history of Salt Lake City, which owes its existence and wonderful development and prosperity to Brigham Young, is like an improbable romance. I have already mentioned Young, having met

him on my former visit with Thomas A. Scott. In the nine years that had elapsed the city had nearly doubled its population. Pure water was flowing in all the streets and the city looked fresh and clean. The air, at an elevation of 4,000 feet above the sea, was exhilarating. From Salt Lake City we returned to Ogden, and on, or about, the 1st of August took passage on the Utah Northern railroad. Our route lay along the Beaver River, passing Eagle Rock, thence through Beaver Cañon into Idaho, thence through a mountainous range, at about an elevation of 6,800 feet, into Montana as far as the frontier town of Dillon. There we left the cars and took wagons to Virginia City, Montana, where we were to meet our military escort and arrange for horses and mules to carry us and our camp outfit into the park.

Our drive from Dillon to Virginia City was very picturesque, skirting the Ruby mountains and crossing the Stinking Water River. Virginia City was at one time the center and thriving business place of the large population that was drawn to that valley by the very rich placer gold mines there, discovered between 1865 and 1870. It is estimated that $90,000,000 of gold was taken from the stream that runs through a valley about eighteen miles long. The city had many substantial buildings, a large brick courthouse, five churches, many large business stores, dwellings and hotels. At the time we were there the placer mining had been abandoned, except by some Chinamen who were washing over the tailings and making good wages at it; and the population had been reduced from 20,000 people to 1,400. Here we spent Sunday. It was a gala day for the saloons, ranchmen and cowboys, typical of how Sunday is observed in all these mining and ranch towns. We met here, as everywhere in Montana, wandering gold-seekers who explored from mountain to valley in search of the precious metal, often making exaggerated statements in regard to the undeveloped wealth not yet discovered, with stories about gold which were never realized. It was the common belief that the gold found in the placer mines must have been washed from the mountains near by, and seekers for gold were looking for the source of the gold field to such mountains, but it was never

discovered. Mines were discovered in other parts of Montana, but none about Virginia City.

On Monday we met Lieutenant Swigert with a dozen troopers from Fort Ellis, who, by orders from the war department, were to escort us through Yellowstone Park. Here we obtained horses and mules for our own use and for carrying our packs, camp traps, etc. When all was ready we started for our camping in the wilderness. Our first day's march was about twenty miles, when we went into camp. We proceeded each day about this same rate, following along the valley of the Madison River until we reached the park. When we were there the park was truly a wilderness, with no evidences of civilization. Game was very abundant. Elk, deer, antelope and bear were plentiful, and we had no difficulty in getting all the fresh meat we wanted.

Among our employes was a man by the name of Beam, a typical hunter. He had spent most of his life in the mountains. He started out every morning in advance of us and was always sure to be at the agreed camping ground when we arrived. I asked him at one time if he was not afraid of being lost. He said no, he could not be lost for he could go to the top of any hill or mountain and determine his course. He said he had never been lost but once, and that was in St. Louis; when he went out from the hotel he was in a "cañon" and he could not tell which way to go.

We arrived in the lower geyser basin on Saturday. The next day (Sunday) was bright and beautiful. We knew that our revered companion, Justice Strong, was a religious man and we felt that he would have scruples about traveling on Sunday. Still, we wished to move on that afternoon to the upper geyser basin, but were at a loss how to approach him with the Sunday question. It was left to me to confer with him. Before doing so I arranged to have everything in order for a proper observance of the Sabbath day. I found after inquiry that there was no Bible in the large party, but that the officer in command of the troops had an Episcopal prayer book. I went with that to Justice Strong and suggested that we should have religious services, to which he readily assented. I gave him

the prayer book and he carefully marked out a selection of scripture and prayers, saying that he was not familiar with the book, but it contained ample material for a proper religious service. We gathered all the soldiers, wagoners and cowboys, including the hunter, belonging to our party. Justice Strong was furnished a box to sit on in front of his tent, and the rest of us stood or lay in scattered groups on the ground around him. He read from the prayer book the passages he had selected, making together a most impressive and interesting service. Many of those who gathered around him had not shared in religious services for years, and were duly impressed with them. After this was over and we had taken dinner, I suggested to him that there were so many horses that the teamsters complained that the grass was not sufficient for them to remain there all day, and that I thought it would be well for us to move to the upper geyser basin a few miles away, to which he at once assented. I thoroughly sympathized with his feelings in this matter, but thought that under the circumstances our action was excusable and he doubtless saw through the scheme.

During our visit to the geysers in the upper basin, we encamped near "Old Faithful." From this camp we could reach, by an easy walk, nearly all the grand geysers of this wonderful basin. I have sometimes undertaken to describe these geysers, but never could convey my idea of their grandeur. Bierstadt made a sketch of "Old Faithful," showing Mr. Hoyt and myself in the foreground, with the geyser in full action. He subsequently expanded this picture into a painting, which I now own and greatly prize.

We resumed our march, passing by Sulphur Mountain, the Devil's Caldron, mud geysers, the "paint pots," and through this marvelous land, to the shores of Yellowstone Lake. We were amazed at the beautiful scenery that stretched before us. This large lake is in the midst of snow-clad mountains; its only supply of water is from the melting snows and ice that feed the upper Yellowstone River. Its elevation is 7,741 feet above the sea. The ranges and peaks of snow-clad mountains surrounding the lake, the silence and majesty of the scene, were

awe-inspiring—the only life apparent being the flocks of pelicans. We fished successfully in this mountain lake, but of the fishes caught many were spoiled by worms that had eaten into and remained in them.

We visited the great falls of the Yellowstone, the immense and wonderful cañon so often described and illustrated. We remained encamped near this cañon a whole day, and amused ourselves chiefly in exploring its wonderful depths and in rolling stones from projecting points down into the valley. They generally bounded from point to point until we could hear them dashing into the waters far below.

Our march down the valley of the Yellowstone was very interesting. The military escort and Justice Strong did not pass over Mount Washburn, but went by a nearer and easier route along the valley to the next camping ground. Bierstadt, Hoyt and I, with a guide, rode on horseback to the top of Mount Washburn, a long, difficult, and somewhat dangerous feat, but we were amply repaid by the splendid view before us. We crossed the mountain at an elevation of 12,000 feet, in the region of perpetual snow. From its summit one of the grandest and most extensive views of mountain scenery lay before and around us, range after range of snowpeaks stretching away for one hundred miles. To the south was the valley of Wind River and Stinking Water, and encircling these, the Shoshone and Wind River ranges with their lines of perpetual snow, the Bear Tooth Mountain and Pilot Knob and Index Peak, the great landmarks of the Rockies. The ascent was fatiguing and almost exhausting. We remained on the mountain two or three hours for needed rest. When we arrived in the camp about sundown I was so fatigued that I was utterly unable to dismount from my horse, and was lifted bodily from it by the soldiers.

We continued our journey through grassy parks until we reached Lower Falls. From there we continued until we arrived at Mammoth Hot Springs, where there was a house, the first sign of civilization we had seen since we began our journeyings in the park. From here we took our way to Fort Ellis and Bozeman, where we left our escort and horses and mules.

We returned from here to Virginia City, and at Dillon took cars for Ogden and thence for home, where I arrived about the 25th of August.

During my absence in the Yellowstone Park we had frequent bulletins in respect to President Garfield, sometimes hopeful but generally despondent. When I returned it was generally supposed that he could not recover, but might linger for weeks or months. The public sympathy excited for him suspended by common consent all political meetings. As the Ohio election was to occur on the second Tuesday of October, George K. Nash, chairman of the Republican state committee, having charge of the canvass, made a number of appointments for several gentlemen during September. Among them was one for me to speak at Mansfield, on the 17th of that month, in aid of the election of Foster and the Republican ticket. Preparations were made and the meeting was actually convened on the afternoon of that day, but, as the bulletins from Elberon indicated that Garfield might die at any moment, I declined to speak. More favorable advices coming, however, I was urged by the committee to speak at Wooster on Monday evening, September 19, and consented with some hesitation. In opening my speech I referred to the condition of the President and my reluctance to speak; I said:

"FELLOW-CITIZENS:—I am requested by the Republican state committee to make a political speech to you to-night, in opening here the usual discussion that precedes the election of a governor and other state officers. If I felt at liberty to be guided by my own feelings, I would, in view of the present condition of the President of the United States, forego all political discussion at this time.

"The President is the victim of a crime committed without excuse or palliation, in a time of profound peace and prosperity, not aimed at him as an individual, but at him as the President of the United States. It was a political crime, made with the view of changing, by assassination, the President chosen by you. It has excited, throughout the civilized world, the most profound horror. The President has suffered for more than two months, and is still suffering, from wounds inflicted by an assassin. His life still hangs by a thread. The anxious inquiry comes up morning, noon, and night, from a whole people, with fervid, earnest prayers for his recovery.

"Under the shadow of this misfortune, I do not feel like speaking, and I know you do not feel like hearing a political wrangle. It is but just to

say that the members of all parties, with scarce an exception, Democrats as well as Republicans, share in sympathy with the President and his family, and in detestation of the crime and the criminal, and the evidence of this sympathy tends to make political dispute irksome and out of place."

I then entered into a general discussion of the issues of the campaign. Soon after the close of my speech I received intelligence of the death of Garfield, and at once revoked all my appointments, and by common consent both parties withdrew their meetings. Thus mine was the only speech made in the campaign. I immediately went to Washington with ex-President Hayes to attend the funeral, and accompanied the committee to the burial at Cleveland. The sympathy for Garfield in his sad fate was universal and sincere. The inauguration of President Arthur immediately followed, and with it an entire change of the cabinet.

CHAPTER XLIV.

Beginning of Arthur's Administration.

Special Session of the Senate Convened by the President — Abuse of Me by Newspapers and Discharged Employes — Charges Concerning Disbursement of the Contingent Fund — My Resolution in the Senate — Secretary Windom's Letter Accompanying the Meline Report — Investigation and Complete Exoneration — Arthur's Message to Congress in December — Joint Resolutions on the Death of Garfield — Blaine's Tribute to His Former Chief — Credit of the United States at "High Water Mark" — Bill Introduced Providing for the Issuing of Three per Cent. Bonds — Need of Tariff Legislation — Corporate Existence of National Banks Extended — Bill to Reduce Internal Revenue Taxes — Tax on Playing Cards — Democratic Victory in Ohio.

ON the 23rd of September, 1881, President Arthur convened the Senate to meet in special session on the 10th of October. Mr. Bayard was elected its president *pro tempore*. On the 13th of October, when the Senate was full, David Davis, of Illinois, was elected president *pro tempore*, and the usual thanks were given to Mr. Bayard, as the retiring president *pro tempore*, for the dignity and impartiality with which he had discharged the duties of his office.

At this period of my life I was the object of more abuse and vituperation than ever before or since. The fact that the new administration of Arthur was not friendly to me was no doubt the partial cause of this abuse. The intense bitterness manifested by certain papers, and by discharged employes, indicated the origin of most of the petty charges against me. One of these employes stated that he had been detailed for work on a house built by me in 1880. This was easily answered by the fact that the house was built under contract with a leading builder and the cost was paid to him. I neither knew the man nor ever heard of him since.

I was blamed for certain irregularities in the disbursement of the contingent fund of the treasury, although the accounts

of that fund were by law approved by the chief clerk of the department and were settled by the accounting officers without ever coming under my supervision, and the disbursement had been made by a custodian who was in the department before I entered it. My wife was more annoyed than I with the petty charges which she knew were false, but which I did not dignify by denying.

Mr. Windom, soon after his appointment as secretary, directed an inquiry to be made by officers of the treasury department into these abuses and it was charged that he, at my request, had suppressed this inquiry. The "Commercial Advertiser," on the 11th of October, alleged that I was as much shocked by the disclosures as my successor, Mr. Windom; that I did not want any further publicity given to them, and was desirous that Mr. Windom should not allow the report to get into the public prints. I, therefore, on the 14th of October, offered in the Senate this resolution:

"*Resolved*, That the Secretary of the Treasury is hereby directed to transmit to the Senate a copy of the report of James F. Meline and others, made to the treasury department during the recess of the Senate, and of any papers received by him based upon such report."

In offering the resolution, after reading the article in the "Commercial Advertiser," I said:

"The writer of this paragraph is very much mistaken in supposing that I have in any way sought or wished to withhold from the public the report referred to. I neither have nor will I oppose or delay any investigation of the treasury department while I was its chief officer. The only wish I have is to see that every officer accused of improper conduct shall have a fair chance to defend himself, and then he must stand or fall according to the rectitude or wrong of his conduct.

"The only doubt I have in calling for this report now is the fact that Mr. Windom did not order its publication lest injustice might be done to worthy and faithful officers who had no opportunity to cross-examine witnesses or answer charges made against them. I have no doubt that he either has given or will give them this opportunity. At all events the Senate can do so. I, therefore, offer this resolution and hope the Senate will promptly pass it."

Mr. Edmunds objected to the resolution as being unnecessary, and under the rules of the Senate it went over. I called

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it up on the 18th of October, when Mr. Farley, of California, asked that it be postponed a few days. On the 22nd I again called it up, when Mr. Farley stated that he could not see what Congress had to do with the report of such a commission appointed by the Secretary of the Treasury, and asked me for an explanation. In reply I said:

"I stated, on introducing this resolution, that the investigation was one of a character not usually communicated to Congress, but that certain public prints had contained unfounded imputations against several officers of the government, and that there was something in the report which reflected on a Member of this body formerly a cabinet officer. Under the circumstances, as I was plainly the person referred to, having been Secretary of the Treasury at the time stated, I deemed it my right, as well as my duty to my fellow-Senators, to call out this information. If the statements contained in the papers be true, they are proper matters for the Senate to examine in every sense.

"Mr. president, I have been accustomed to newspaper abuse all my life and very rarely notice it. This is probably the first time in my political life that I have ever read to this body a newspaper attack upon me or upon anyone else; but when any paper or any man impugns in the slightest degree my official integrity I intend to have it investigated, and I wish it tested not only by the law but by the strictest rules of personal honor.

"For this reason, when this imputation is made by a leading and prominent paper, that there is on the files of the treasury department a document which reflects upon me, I think it right that it should be published to the world, and then the Senate can investigate it with the power to send for persons and papers. That is the only reason why I offered the resolution, and not so much in my own defense as in defense of those accused in this document. If the accusation is true it is the duty of the Senate to examine into the matter."

After some further discussion the resolution was adopted, and on the same day Mr. Windom transmitted the report of James F. Meline, and other officers of the treasury department, made to the department during the recess of the Senate. His letter is as follows:

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
WASHINGTON, D. C., October 22, 1881.

SIR:—I am in receipt of the resolution of the Senate of the 21st instant, as follows:

'*Resolved*, That the Secretary of the Treasury is hereby directed to transmit to the Senate a copy of the report of James F. Meline and others,

made to the treasury department during the recess of the Senate, and of any papers received by him based upon such report.'

In reply thereto I have the honor to transmit herewith a copy of the report called for, with the accompanying statements of Mr. J. K. Upton and J. T. Power, who occupied the position of chief clerk and *ex officio* superintendent of the treasury building for the period covered by the report.

Soon after assuming the duties of Secretary of the Treasury my attention was called to alleged abuses in disbursement of the contingent fund of the department, which was under the immediate charge of a custodian, and the general supervision of the chief clerk of the department, and I appointed a committee to look into the matter, as had been the custom of the department in such cases. The law, somewhat conflicting in its terms in relation to the relative duties of these two officers, will be found fully set forth in the report. On considering the report I am convinced that certain irregularities and abuses existed in this branch of the service, and as I had some doubts as to the legality of the appointment of a custodian I abolished that office June 18, 1881, and by general order of July 1, 1881, reorganized the office.

A copy of this order is herewith transmitted, from which it will appear that all the changes necessary to a complete and thorough correction of the irregularities and abuses referred to have been adopted.

It was my intention, as my more pressing public duties would permit, to have pursued this general policy in other branches of the treasury, by the appointment of competent committees to collect the necessary data on which to base proper action to secure economy and promote the best interests of the public service, but the assassination of the President suspended further action in this direction. Very respectfully,

WILLIAM WINDOM, Secretary.

HON. DAVID DAVIS, President of the Senate.

On the 26th I offered a resolution as follows:

"*Resolved*, That the committee on appropriations of the Senate be, and they are hereby, authorized and directed to investigate the accounts for the expenditure of the appropriations for contingent or other expenses of the several executive departments, including the methods of making such disbursements, the character and disposition of the purchases made, and the employment of labor paid from such appropriations, and to report on the subject at as early a day as practicable, and whether any further legislation is necessary to secure the proper disbursement of such appropriations; and that the committee have leave to send for persons and papers, and have leave to sit during the recess of the Senate."

This led to a thorough investigation into the disbursement of the contingent fund of the treasury department, the report of which, accompanied by the testimony, covering over 1,200

printed pages, was submitted to the Senate on the 15th of March, 1882. This examination was chiefly conducted by Francis M. Cockrell, of Missouri, a Senator distinguished for fairness and thoroughness. The report was concurred in unanimously by the committee on appropriations. It showed that certain irregularities had entered into the management of the fund and that certain improper entries had been made in the account, but that only a trifling loss had resulted to the government therefrom.

I was before the committee and stated that I never had any knowledge of any wrongdoing in the matter until it had been brought out by the investigation. The report fairly and fully relieved me from the false accusations made against me. It said: "Touching the statements of Senator Sherman, that he had no knowledge of its irregularities, etc., established by the evidence, no witness states that Mr. Sherman knew that any funds of the treasury department were ever used for his individual benefit or otherwise misapplied."

I could not have asked for a more favorable ending of the matter.

At the close of the examination the committee addressed to the head of each department of Arthur's administration an inquiry whether the laws then in force provided ample safeguards for the faithful expenditure of its contingent appropriation, and each of them replied that no change in existing law was necessary. The committee concurred in the views of the heads of the departments, and suggested that they keep a constant supervision over the acts of their subordinates; that the storekeeper of the treasury department should be required to give a bond, and that careful inventories of the property of each department should be made, and that annual reports of the expenditures from the contingent fund should be made by each department at the commencement of each regular session. While this investigation imposed a severe labor upon the committee on appropriations, it had a beneficial effect in securing a more careful control over the contingent expenses of the departments, and it silenced the imputations and innuendoes aimed at me.

In regard to these accusations, I no doubt exhibited more resentment and gave them more importance than they deserved. I felt that, as Secretary of the Treasury, I had rendered the country valuable service, that I had dealt with vast sums without receiving the slightest benefit, and at the close was humiliated by charges of petty larceny. If I had recalled the experience of Washington, Hamilton, Jefferson, Jackson and Blaine, and many others, under like accusations, I would have been content with answering as Washington and Jackson did, or by silent indifference, but my temperament led me to defy and combat with my accusers, however formidable or insignificant they might be.

The annual message of President Arthur, submitted to Congress on the 6th of December, was a creditable, business-like statement of the condition of the government. It commenced with a very proper announcement of the appalling calamity which had fallen upon the American people by the untimely death of President Garfield. He said:

"The memory of his exalted character, of his noble achievements, and of his patriotic life, will be treasured forever as a sacred possession of the whole people.

"The announcement of his death drew from foreign governments and peoples tributes of sympathy and sorrow which history will record as signal tokens of the kinship of nations and the federation of mankind."

Our friendly relations with foreign nations were fully described, and the operations of the different departments of the government during the past year were clearly and emphatically stated. In closing he called attention to the second article of the constitution, in the fifth clause of its first section, that "in case of the removal of the President from office, or of his death, resignation, or inability to discharge the powers and duties of said office, the same shall devolve on the Vice President," and asked that Congress should define, "what is the intendment of the constitution in its specification of 'inability to discharge the powers and duties of said office,' as one of the contingencies which calls the Vice President to the exercise of presidential functions? Is the inability limited in its nature to long continued intellectual incapacity, or has it a broader import? What must be its

extent and duration? How must its existence be established?"

These and other questions connected with the subject were not acted upon by Congress, as it could not foresee the conditions of the inabilities in advance of their occurrence. He closed with the following sentence:

"Deeply impressed with the gravity of the responsibilities which have so unexpectedly devolved upon me, it will be my constant purpose to coöperate with you in such measures as will promote the glory of the country and the prosperity of its people."

At the regular meeting of the House of Representatives, on the 5th of December, 1881, J. Warren Keifer was elected speaker by a small majority. Both Houses were almost equally divided on partisan lines.

Early in the session, on the motion of William McKinley, the House passed the following resolution:

"*Resolved*, That a committee of one Member from each state represented in this House be appointed on the part of the House to join such committee as may be appointed on the part of the Senate, to consider and report by what token of respect and affection it may be proper for the Congress of the United States to express the deep sensibility of the nation to the event of the decease of their late President, James Abram Garfield; and that so much of the message of the President as refers to that melancholy event be referred to said committee."

On the same day, on my motion, a similar resolution, limiting the committee to eight, passed the Senate. The committees were duly appointed. On the 21st of December the two Houses, upon the report of the two committees, adopted the following concurrent preamble and resolutions:

"WHEREAS, The melancholy event of the violent and tragic death of James Abram Garfield, late President of the United States, having occurred during the recess of Congress, and the two Houses sharing in the general grief and desiring to manifest their sensibility upon the occasion of the public bereavement: Therefore,

"*Be it resolved by the House of Representatives (the Senate concurring)*, That the two Houses of Congress will assemble in the hall of the House of Representatives on a day and hour to be fixed and announced by the joint committee, and that in the presence of the two Houses there assembled an address upon the life and character of James Abram Garfield, late

President of the United States, be pronounced by Hon. James G. Blaine; and that the president of the Senate *pro tempore* and the speaker of the House of Representatives be requested to invite the President and ex-Presidents, of the United States, the heads of the several departments, the judges of the Supreme Court, the representatives of the foreign governments near this government, the governors of the several states, the general of the army and the admiral of the navy, and such officers of the army and navy as have received the thanks of Congress who may then be at the seat of government, to be present on the occasion.

"*And be it further resolved*, That the President of the United States be requested to transmit a copy of these resolutions to Mrs. Lucretia R. Garfield, and to assure her of the profound sympathy of the two Houses of Congress for her deep personal affliction and of their sincere condolence for the late national bereavement."

On the 27th of February, 1882, Mr. Blaine, in response to the resolution of the two Houses, delivered an address, in the hall of the House of Representatives, on the life and character of President Garfield, worthy of the occasion, of the distinguished audience before him, and of his reputation as an orator. From the beginning to the end it was elevated in tone, eloquent in the highest sense of that word, and warm in expression of his affection for the friend he eulogized. His delineation of Garfield as a soldier, an orator, and a man, in all the relations of life, was without exaggeration, but was tinged with his personal friendship and love. He described him on the 2nd of July, the morning of his wounding, as a contented and happy man, not in an ordinary degree, but joyfully, almost boyishly, happy. "Great in life, he was surpassingly great in death." He pictured the long lingering illness that followed the fatal wound, the patience of the sufferer, the unfaltering front with which he faced death, and his simple resignation to the divine decree. His peroration rose to the full measure of the highest oratory. It was as follows:

"As the end drew near, his early craving for the sea returned. The stately mansion of power had been to him the wearisome hospital of pain, and he begged to be taken from its prison walls, from its oppressive, stifling air, from its homelessness and its hopelessness. Gently, silently, the love of a great people bore the pale sufferer to the longed-for healing of the sea, to live or to die, as God should will, within sight of its heaving billows, within sound of its manifold voices. With wan, fevered face tenderly lifted to the

FAC SIMILE OF INVITATION TO JAMES G. BLAINE'S EULOGY OF JAMES A. GARFIELD, DELIVERED IN THE HOUSE OF REPRESENTATIVES.

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cooling breeze, he looked out wistfully upon the ocean's changing wonders; on its far sails, whitening in the morning light; on its restless waves, rolling shoreward to break and die beneath the noonday sun; on the red clouds of evening, arching low to the horizon; on the serene and shining pathway of the stars. Let us think that his dying eyes read a mystic meaning which only the rapt and parting soul may know. Let us believe that in the silence of the receding world he heard the great waves breaking on a further shore, and felt already upon his wasted brow the breath of the eternal morning."

Blaine died January 27, 1893. Who now living could pronounce such a eulogy?

The following resolutions were adopted by both Houses of Congress:

"*Resolved* (*the Senate concurring*), That the thanks of Congress be presented to Hon. James G. Blaine, for the appropriate memorial address delivered by him on the life and services of James Abram Garfield, late President of the United States, in the Representatives Hall, before both Houses of Congress and their invited guests, on the 27th day of February, 1882; and that he be requested to furnish a copy for publication.

"*Resolved*, That the chairmen of the joint committee appointed to make the necessary arrangements to carry into effect the resolutions of this Congress, in relation to the memorial exercises in honor of James Abram Garfield, be requested to communicate to Mr. Blaine the foregoing resolution, receive his answer thereto, and present the same to both Houses of Congress."

At the time of the commencement of this session the credit of the United States had reached high-water mark. It was apparent that, with judicious management, a three per cent. bond of the United States could be sold at par. On the first day of the session, December 5, 1881, I introduced a bill to provide for the issue of three per cent. bonds. It was referred to the committee on finance, and on the 15th of December, by direction of that committee, I reported the bill with certain amendments, and gave notice that I was directed to seek the action of the Senate upon it immediately after the holidays. It was taken up for consideration on the 11th of January, and, much to my surprise, met with opposition from those who a year before had favored a similar bill. They said it was a mere expedient on my part, that President Hayes had, at my request, vetoed a similar bill; but I was able to truly answer that the veto of President Hayes was not against the three per cent.

bond, but against the compulsory provision that no other but three per cent. bonds should be deposited in the treasury as security for the circulating notes of, and deposits with, national banks; that President Hayes, in fact, approved of the three per cent. bond.

I made a speech in support of this measure on the 26th of January, reviewing our financial condition, with many details in respect to our different loans, and closed as follows:

"I say now, as I said at the commencement, that the passage of this bill seems to me a matter of public duty. I care nothing for it personally. I have been taunted with my inconsistency. I feel like the Senator from Kentucky about an argument of that kind. If I did not sometimes change my mind I should considered myself a blockhead or a fool. But in this matter, fortunately, I have not changed my mind. In 1866 I anticipated the time when we could sell three per cent. bonds and said that was a part of the funding scheme, and so continued, year in and year out, as I could show Senators, that that was the *ultima thule*, the highest point of credit to which I looked in these refunding operations. I believed last year it could not be done, because I did not believe the state of the money market would justify the attempt, and, besides that, the great mass of the indebtedness was so large that it might prevent the sale of three per cent. bonds at par. Therefore, I wanted a three and a half per cent. bill then. But then we secured the three and a half in spite of Congress, by the operations of the treasury department and the consent of the bondholders, now we ought to do a little better.

"Let Congress do now what it proposed to do last year, offer to the people a three per cent. bond. If they do not take it no harm is done, no expense is incurred, no commissions are paid, no advantage is taken. If they do take it, they enable you to pay off more rapidly still your three and a half per cent. bonds. There was no express and no implied obligation made by the Senator from Minnesota, as he will himself say that the people of the United States have the right to pay every dollar of these three and a half per cent. bonds. He had no power to make such an intimation even, nor has he made it, as he states himself. We are not restrained by any sense of duty, we have the right to take advantage of our improved credit, of our advanced credit, and make the best bargain we can for the people of the United States, and the doctrine is not 'let well enough alone,' but always to advance.

"We are advancing in credit, in population, in strength, in power, in reason. The work of to-day is not the work of to-morrow; it is but the preparation for the future. And, sir, if I had my way in regard to these matters I certainly would repeal taxes; I would fortify ourselves in Congress by reducing this large surplus revenue; I would regulate, by wise and

separate laws, fully and fairly considered, all the subjects embraced in these amendments as separate and distinct measures, pass this bill which, to the extent it goes and to the extent it is successful, will be beneficial to the people."

The debate upon the bill and upon amendments to it continued until the 3rd of February, when it passed the Senate by the decided vote of 38 yeas, 18 nays.

The bill was referred to the committee of ways and means, but the House, instead of passing a separate bill, accomplished the same object by section 11 of the national bank act of July 12, 1882, by which the Secretary of the Treasury was authorized to receive at the treasury any bonds of the United States bearing three and a half per cent. interest, and to issue in exchange therefor an equal amount of registered bonds of the United States bearing interest at the rate of three per cent. per annum.

Mr. Folger, Secretary of the Treasury, in his annual report of December 4, 1882, stated that on July 1, 1882, the amount of three and a half per cent. bonds outstanding was $449,324,000, and that under the section referred to he had exchanged to the date of his report $280,394,750 of three per cent. bonds for a like amount of three and a half per cent. bonds, thus reducing the annual interest charge by reason of these exchanges $1,401,973.75.

By his report of 1883, it was shown that the total amount of such exchanges was $305,581,250, making an annual saving of interest, effected by these exchanges, of $1,527,906.25. These bonds were subsequently paid from time to time by surplus revenue.

The whole process of refunding was perhaps as favorable a financial transaction as has ever been executed in any country in the world.

A revision of the tariff was greatly needed, but the only measure adopted at that session was an act to provide for the appointment of a commission to investigate the question of the tariff. I made a speech on this bill in which I advocated the appointment of a commission. I said:

"Mr. president, I have called attention to these defects in the present tariff, nearly all of which have grown out of amendments that have been ingrafted on the Morrill tariff, by the confusion caused by the difference

between *ad valorem* and specific duties, by the great fall in prices, by important changes in the mode of manufacturing, by, you may say, the revolution in trade and prices that has occurred in the last twenty years, during which these laws have existed. Therefore, coming back to the first question stated by me, how best to get at a revision of the tariff, I say the quickest way is the best way.

* * * * * * * * *

"Now, it does seem to me, with due deference to the opinion of the Senator from Kentucky, that the quickest mode of revision is by a commission. At the beginning of this session I believed it was better to do it through the committees of the two Houses; but the committee on ways and means of the House of Representatives alone has the power to report a bill, and until then we in the Senate are as helpless as children in this matter. The committee on ways and means have declared in favor of a commission, and have reported a bill to that effect; and they are the only power in this government that can report a tariff bill under the rules of the House. The House is the only body that can originate it under the constitution. As they have decided in favor of a commission, why should we insist upon it that they shall do the work themselves?

"Besides, half the session has passed away, and the committee on ways and means is burdened with other duties. We know that as the session approaches an end, they probably cannot devote time to the general tariff question.

* * * * * * * * *

"If they will give us a bill about sugar and these other items, it is all we can reasonably ask them to do. When Congress adjourns, you cannot expect the committee on ways and means, or any other committee of Congress, to devote all their recess to public business. Elections are coming off for Members of Congress, and they will look after the elections. They must have a little rest. Therefore, the idea of waiting for the committees of Congress to act, is preposterous in my judgment. It is too late. If the committee had commenced on the first Monday of December, they might by this time probably have prepared a bill. They have made no such preparation, and, therefore, it is utterly idle to wait.

"I think, then, and I submit it to the good, cool sense and judgment of my friend from Kentucky, that the better way is as early as possible to organize a commission; let it be constituted, as I have no doubt the President will take care to constitute it, of fair and impartial men. They will be fresh at least. Let them frame a bill with the aid of the officers of the treasury department, so that by the next session we may have a general revision of the tariff.

"Upon the main question there appears no substantial difference of opinion. We agree that the tariff should be revised and the taxes be reduced. The only pertinent question involved in this bill is whether it is

best to organize a commission of experts, not Members of Congress, to examine the whole subject and to report such facts and information to Congress as the commission can gather, or whether the proposed revision should be made directly, without the delay of a commission, by the aid of committees of Congress and the officers of the government familiar with the workings of the customs laws. It does seem to me that to decide this question we need no long arguments about protection or free trade, watchwords of opposing schools of political economy, nor does it seem to me that the political bearings of the tariff question are involved when we all agree that the tariff ought to be revised, and are now only finding out the best way to get at it.

"Whenever a tariff bill is reported to us we will have full time to discuss the theoretical and political aspects of the subject, and no doubt the arguments already made will be repeated and amplified. I prophesy that then we will have a strange mingling of political elements, and a striking evidence of the changes of interest and principle on this subject in different parts of the country, caused by the revolution of the industry of our people by the abolition of slavery during the Civil War. The only mitigation of my desire for a prompt revision of the tariff is the confidence I have that delay and discussion will make the sectional revolution more thorough and universal, and leave the tariff question a purely business and not a political or sectional issue."

The nine commissioners appointed by President Arthur were well selected, and they were, under the law, required to report on that subject to the following session of Congress.

It became necessary at this session to extend the corporate existence of national banks. By the terms of the original national banking act, banks organized under it continued for but twenty years, which would expire within two years. A bill for the extension of the time was introduced and a long discussion followed about silver, certificates of deposit, clearing house certificates and other financial matters. There was but little if any opposition to the extension of national banks and the bill passed. It was approved July 12, 1882.

The most important financial measure passed by this Congress was the bill to reduce internal revenue taxes, reported March 29, 1882, by William D. Kelley, of Pennsylvania, from the committee of ways and means. After a debate extending to June 27, a motion to recommit was rejected and the bill passed the House. It was sent to the Senate and reported with amendments by Mr. Morrill, from the committee on finance,

July 6. On July 11 it was recommitted to the committee on finance and immediately reported back with amendments, which consisted of a change in the tariff duties on sugar and an increase of the duties on cotton,ties and a few other things. It was not a general revision of the tariff. Mr. Beck antagonized the amendments proposed by the committee and sought to delay the passage of the bill. I replied to him as follows:

"If this Congress shall adjourn, whether the weather be hot or cold, without a reduction of the taxes now imposed upon the people, it will have been derelict in its highest duty. There is no sentiment in this country stronger now than that Congress has neglected its duty thus far in not repealing taxes that are obnoxious to the people and unnecessary for the public uses; and if we should still neglect that duty we should be properly held responsible by our constituents."

In the course of the long debate Mr. Vance, of North Carolina, who was the acknowledged wit of the Senate, moved to except playing cards from the general repeal of stamp taxes. I objected to keeping up the system of stamp taxes and said:

"If Senators want to insist on a piece of what I call demagogism, by keeping a small stamp tax on playing cards, I am perfectly willing that they should do so. If it is desired now to show our virtuous indignation against card-playing, to single out this tax, which probably yields but three or four thousand dollars a year — to show our virtuous indignation against people who play cards and against card-playing, let it be done in the name of Heaven. Let us keep this as a monument of our virtue and intelligence and the horror of the Senate of the United States against playing whist and euchre. I hope that no such vote will be given."

Mr. Vance replied in his peculiarly humorous way, and concluded by saying: "I have no doubt that not a man in the United States but who, when he 'stands pat' with three jacks, or draws to two aces, will glorify the name of the Senator from Ohio: and if there is gratitude in human nature, I expect to see the next edition of playing cards bearing a fullsized portrait of the Senator from Ohio as the distinguishing mark of the 'yerker.'"

The Senate was equally divided on this question of retaining the tax on playing cards, the vote being 28 for and 28 against. As there was not a majority in favor of the amendment of Mr. Vance it was rejected and the tax was repealed.

Mr. Beck undertook to amend the bill by a general revision and reduction of the tariff duties in long schedules introduced by him. I took an active part in the discussion of this bill in the hope that by it we might secure a logical and desirable revenue law. No final action was taken on it before the adjournment of Congress on the 8th of August, after an eight months' session, and it went over to the next session.

After the long and wearisome session I returned to Mansfield. The congressional canvass in Ohio was then in full operation. The failure of Congress to pass the bill relieving the people from the burden of internal taxes no longer required, the shadow of the murder of Garfield, the dislike and prejudice against Arthur's administration, the temporary stringency in money matters, the liquor or license question, the Sunday observance, and the discontent of German Republicans, greatly weakened the Republican party in the state and foreboded defeat. R. A. Horr was the Republican candidate for Congress in the district in which I reside, and on the 17th of August he spoke at Mansfield. I also made a brief speech covering the chief subjects under discussion. I explained the causes of the failure to pass the revenue reduction bill, blaming it, as a matter of course, on the Democratic party, but assured my hearers that it would pass at the next session, and that the surplus revenue would not be wasted, but would be applied to the reduction of the public debt, and to increase pensions to Union soldiers, their widows and orphans. The opposition to the immigration of Chinese into this country was then strong. I could only promise that Congress would do all it could to exclude them consistently with treaty stipulations. I favored the proper observance of the Sabbath day, claiming that it was a day of rest and should not be desecrated, but each congregation and each citizen should be at liberty to observe it in any way, consistent with good order and noninterference with others. Touching on the liquor question, I said that many of our young men were brought to disgrace and crime by indulgence in intoxicating liquors, and I therefore believed in regulating the evil. Why should all other business be suspended, and saloons only be open? I was in favor of a law imposing a large tax on

all dealers in liquor, which would tend to prevent its use. I believed in a policy that would protect our own laborers from undue competition with foreign labor, and would increase and develop our home industries. This position was chiefly a defensive one, and experience has proven that it is not a safe one. The Republican party is stronger when it is aggressive.

On the 31st of August I attended the state fair as usual, and on the morning of that day made a full and formal political address covering both state and national interests. I quote a few passages on the liquor question, then the leading subject of state policy. I said:

"All laws are a restraint upon liberty. We surrender some of our natural rights for the security of the rest. The only question is, where is the boundary between rights reserved and those given up? And the only answer is, wherever the general good will be promoted by the surrender. In a republic the personal liberty of the citizen to do what he wishes should not be restricted, except when it is clear that it is for the interest of the public at large. There are three forms of legislative restriction: Prohibition, regulation and taxation, of which taxation is the mildest. We prohibit crime, we regulate and restrain houses of bad fame. We tax whisky and beer. I see no hardship in such restraints upon liberty. They are all not only for the public good, but for the good of those affected. If certain social enjoyments are prolific of vice and crime they must give way, or submit to restraints or taxation.

"I know it is extremely difficult to define the line between social habits and enjoyments perfectly innocent and proper and those that are injurious to all concerned. It is in this that the danger lies, for the law ought never to interfere with social happiness and innocent enjoyments. The fault of Americans is that they are not social enough. I have seen on the banks of the Rhine, and in Berlin, old and young men, women, children of all conditions of social life, listening to music, playing their games and drinking their beer, doing no wrong and meaning none. I have seen in the villages of France the young people dancing gayly, with all the animation of youth and innocence, while the old people, looking on, were chatting and joking and drinking their native wines, and I could see no wrong in all this.

"But there were other scenes in these and other countries: Ginshops and haunts of vice where the hand of authority was seen and felt. What I contend for is that the lawmaking power shall be authorized to make the distinction between innocent and harmful amusements and the places and habits of life which eventually lead to intemperance, vice and crime. Surely we can leave to our general assembly, chosen by the people and constantly responsible to them, the framing of such wise regulations, distinctions

and taxes as will discriminate between enjoyment and vicious places of resort.

"It is a reproach to our legislative capacity to allow free whisky to be sold, untaxed and without regulation, at tens of thousands of groggeries and saloons, lest some law should be passed to restrain the liberty of the citizen. What we want is a wise, discriminating tax law on the traffic in intoxicating liquors, and judicious legislation to restrain, as far as practicable, the acknowledged evils that flow from this unlimited traffic."

This speech expresses my convictions in respect to temperance, and how far this and kindred subjects should be regulated by legislative authority. This was a delicate subject, but I believe the opinions expressed by me were generally entertained by the people of Ohio and would have been fully acted upon by the legislature but for revenue restrictions in the constitution of Ohio.

After I closed Governor Foster and Speaker Keifer spoke briefly. The general canvass then continued over the state until the election. As the only state officers to be elected were the secretary of state, a supreme judge and a member of the board of public works, the chief interest centered in the liquor question and in the election of Members of Congress in doubtful districts. I spoke in several districts, especially in Elyria, Warren, Wauseon, Tiffin and Zanesville. I spent several days in Cincinnati, socially, and in speaking in different parts of the city. The result of the election was that James W. Newman, the Democratic candidate for secretary of state, received a majority of 19,000 over Charles Townsend, the Republican candidate. This was heralded as a Democratic victory. In one sense this was true, but it was properly attributed by the Republicans to the opposition to prohibition. It grew out of the demand of a portion of our people for free whisky and no Sunday. They were opposed to the liquor law, and believed it went too far, and voted the Democratic ticket.

A few days after the election I went with two friends to Lawrence, Kansas, arriving about the 15th of October. I have always retained a kindly feeling for the people of that state since I shared in the events of its early history. With each visit I have marked the rapid growth of the state and the intense politics that divided its people into several parties. This

was the natural outgrowth of conditions and events before the Civil War. As usual I was called upon to make a speech in Lawrence, which, in view of our recent defeat in Ohio, was not a pleasant task. However, I accepted, and spoke at the opera house, chiefly on the early history of Kansas and the struggle in that territory and state, which resulted in transforming the United States from a confederacy of hostile states into a powerful republic founded upon the principles of universal liberty and perpetual union.

From Lawrence we went into Texas, and for the first time traversed that magnificent state, going from Denison to Laredo on the Rio Grande, stopping on the way at Austin and San Antonio. On the route I met Senator Richard Coke and his former colleague, Samuel B. Maxey. I have studied the history of Texas and its vast undeveloped resources, and anticipated in advance its growth in wealth and population. It is destined to be, if not the first, among the first, of the great states of the Union. We returned via Texarkana to St. Louis and thence home.

CHAPTER XLV.

Steps Towards Much Needed Tariff Legislation.

Necessity of Relief from Unnecessary Taxation — Views of the President as Presented to Congress in December, 1882 — Views of the Tariff Commission Appointed by the President — Great Changes Made by the Senate — Regret That I did Not Defeat the Bill — Wherein Many Sections Were Defective or Unjust — Bill to Regulate and Improve the Civil Service — A Mandatory Provision That Should be Added to the Existing Law — Further Talk of Nominating Me for Governor of Ohio — Reasons Why I Could Not Accept — Selected as Chairman of the State Convention — Refusal to Be Nominated — J. B. Foraker Nominated by Acclamation — His Career — Issues of the Campaign — My Trip to Montana — Resuming the Canvass — Hoadley Elected Governor — Retirement of General Sherman.

THE President was able to present, in his annual message to Congress on the 4th of December, 1882, a very favorable statement of the condition of the United States during the preceding year. He recalled the attention of Congress to the recommendation in his previous message on the importance of relieving the industry and enterprise of the country from the pressure of unnecessary taxation, and to the fact that the public revenues had far exceeded the expenditures, and, unless checked by appropriate legislation, such excess would continue to increase from year to year. The surplus revenue for the fiscal year ending June 30, 1881, amounted to $100,000,000, and for the fiscal year ending June 30, 1882, it amounted to more than $145,000,000. This was applied to the payment of the public debt. He renewed the expression of his conviction that such rapid extinguishment of the national indebtedness as was taking place was by no means a cause for congratulation, but rather for serious apprehension. He therefore urged upon Congress the policy of diminishing the revenue by reducing taxation. He then stated at length his opinion of the reductions that ought to be made. He felt

justified in recommending the abolition of all internal taxes except those upon tobacco in its various forms, and upon distilled spirits and fermented liquors. The message was a clear and comprehensive statement of the existing tariff system, and the unequal distribution of both its burdens and its benefits. He called attention to the creation of the tariff commission, and to the report of that commission as to the condition and prospects of the various commercial, manufacturing, agricultural, mining and other interests of the country, and recommended an enlargement of the free list, so as to include within it the numerous articles which yielded inconsiderable revenue, a simplification of the complex and inconsistent schedule of duties upon certain manufactures, particularly those of cotton, iron, and steel, and a substantial reduction of the duties upon those and various other articles. The subsequent action of Congress did not, in my opinion, conform to this, in some respects, wise recommendation of the President. In his closing paragraph he stated:

"The closing year has been replete with blessings for which we owe to the Giver of all good our reverent acknowledgment. For the uninterrupted harmony of our foreign relations, for the decay of sectional animosities, for the exuberance of our harvests and the triumphs of our mining and manufacturing industries, for the prevalence of health, the spread of intelligence and the conservation of the public credit, for the growth of the country in all the elements of national greatness—for these and countless other blessings—we should rejoice and be glad. I trust that under the inspiration of this great prosperity our counsels may be harmonious, and that the dictates of prudence, patriotism, justice, and economy may lead to the adoption of measures in which the Congress and the Executive may heartily unite."

The report of the Secretary of the Treasury emphasized and elaborated the recommendations of the President.

The real cause of the delay of the Senate at the previous session, in acting upon the internal revenue bill, was the desire to await the action of the tariff commission appointed under the act approved May 15, 1882. To secure a comprehensive scheme of taxation it was necessary to include in a revenue bill duties on imported goods as well as taxes on internal productions. The members of the tariff commission appointed by the President, and who signed the report, were John L. Hayes, Henry W.

Oliver, A. M. Garland, J. A. Ambler, Robert P. Porter, J. W. H. Underwood, Alexander R. Boteler, and Duncan F. Kenner. These gentlemen were of high standing, representing different parts of the country, of both political parties, and notably familiar with our internal and external commerce and productions. In their report they said:

"In performance of the duty devolved upon them, all the members of the commission have aimed, and, as they believe, with success, to divest themselves of political bias, sectional prejudice, or considerations of personal interest. It is their desire that their recommendations shall serve no particular party, class, section, or school of political economy."

They transmitted their report to the speaker of the House of Representatives on the 4th of December, 1882. It was a clear and business-like statement of their action, accompanied with schedules of duties on imported goods recommended by them, with suggested amendments to existing customs laws, with testimony taken by them, and with tables and reports covering, in all, over 2,500 printed pages. It was by far the most comprehensive exposition of our customs laws and rates of duty that, so far as I know, had been published. It was quickly printed for the use of the finance committee of the Senate, before whom the bill to reduce internal revenue taxation was pending. If the committee had embodied, in this bill, the recommendations of the tariff commission, including the schedules without amendment or change, the tariff would have been settled for many years. Unfortunately this was not done, but the schedules prescribing the rates of duty and their classification were so radically changed by the committee that the scheme of the tariff commission was practically defeated. Many persons wishing to advance their particular industries appeared before the committee and succeeded in having their views adopted. The Democratic members seemed to take little interest in the proceeding, as they were opposed to the adoption of the tariff as a part of the bill. I did all I could to prevent these changes, was very much discouraged by the action of the committee, and doubted the propriety of voting for the bill with the tariff provisions as

proposed by the committee and adopted by the Senate. I have always regretted that I did not defeat the bill, which I could readily have done by voting with the Democrats against the adoption of the conference report, which passed the Senate by the vote of yeas 32, nays 30. However, the propriety and necessity of a reduction of internal taxes proposed by the bill were so urgent that I did not feel justified in denying relief from burdensome and unnecessary taxes on account of provisions in the bill that I did not approve. With great reluctance I voted for it.

One reduction made by the committee against my most strenuous efforts was by a change in the classification and rates of duty on wool. When I returned to Ohio I was violently assailed by the Democratic newspapers for voting for a bill that reduced the existing duty on wool about twenty per cent., and I had much difficulty in explaining to my constituents that I opposed the reduction, but, when the Senate refused to adopt my view, did not feel justified, on account of my opposition to this one item, in voting against the bill as a whole. The conference report was agreed to by the House of Representatives on the 2nd of March, and the bill was approved by the President on the 3rd.

I did not conceal my opposition to the tariff sections of the revenue bill. I expressed it in debate, in interviews and in letters. When the bill was reported to the Senate it was met by two kinds of opposition, one the blind party opposition of free traders, led by Senators Beck and Vance, the other (much more dangerous), the conflict of selfish and local interests, mainly on the part of manufacturers, who regarded all articles which they purchased as raw material, on which they wished the lowest possible rate of duty, or none at all, and their work, as the finished article, on which they wished the highest rate of duty. In other words, what they had to buy they called raw material to be admitted without protection, and what they had to sell they wanted protected. It was a combination of the two kinds of opposition that made the trouble.

The Democratic Senators, with a few exceptions, voted steadily and blindly for any reduction of duty proposed; but they alone could not carry their amendments, and only did

so when reënforced by Republican Senators, who, influenced by local interest, could reduce any duty at their pleasure. In this way, often by a majority of one, amendments were adopted that destroyed the harmony of the bill. In this way iron ore, pig iron, scrap iron and wool were sacrificed in the Senate. They were classed as raw materials for manufactures and not as manufactures. For selfish and local reasons tin plates, cotton, ties and iron and steel rods for wire were put at exceptionally low rates, and thus were stricken from the list of articles that could be manufactured in this country. This local and selfish appeal was the great defect of the tariff bill. I do not hesitate to say that the iron and wool sections of the bill, as it passed the Senate, were unjust, incongruous and absurd. They would have reduced the iron and steel industries of the United States to their condition before the war, and have closed up two-thirds of the furnaces and rolling mills in this country. They were somewhat changed in committee of conference, but if they had not been, the only alternative to the manufacturers would have been to close up or largely reduce the wages of labor.

Another mistake made in the Senate was to strike out all the carefully prepared legislative provisions simplifying the mode of collecting customs duties, and the provisions for the trial of customs cases. The tariff commission proposed to repeal the *ad valorem* duty on wool, and leave on it only the specific duty of ten and twelve cents per pound. The chairman of the tariff commission was himself the president or agent of the woolen manufacturers and made the report. The manufacturers of woolens, however, were dissatisfied, and demanded an entire change in the classification of woolens, and, on some important grades, a large increase of rates, but insisted upon a reduction of the duty on wool.

I hoped when the bill passed the Senate that a conference committee would amend it, but, unfortunately, Senators Bayard and Beck withdrew from the conference and the Senate was represented by Senators Morrill, Aldrich and Sherman. My colleagues on the conference were part of the majority in the Senate, and favored the bill, and the House conferees seemed

concerned chiefly in getting some bill of relief, some reduction of taxes, before the close of the session.

On the 13th of March, 1883, in reply to a question of a correspondent whether I had any objection to having my views reported, I said:

"No, sir; the contest is now over, and I see no reason why the merits and demerits of the law should not be stated. I worked at it with the finance committee for three months, to the exclusion of other business. Taken as a whole, I think the law will do a great deal of good and some harm. The great body of it is wise and just, but it contains some serious defects. The metallic and wool schedules are unequal and unjust. The great merit of the bill is that it reduces taxes. I would not have voted for it, if any other way had been open to reduce taxes."

"Was there any urgent necessity for reducing taxes?"

"Yes. The demand for a reduction of taxes was general, and, in respect to some taxes, pressing and imperative. The failure of Congress to reduce taxes was one of the chief causes of the defeat of the Republican party last fall, though it was not really the fault of our party. The bill was talked to death by Democratic Senators. The taxes levied by the United States are not oppressive, but they are excessive. They tempt extravagance. We could not go home without reducing the internal taxes. What I want you to emphasize is, that the tariff sections could not have passed in their present shape but for their connection with the internal revenue sections. We could not separate them; therefore, though I voted against the tariff sections of the Senate bill, I felt constrained to vote for the bill as a whole."

"Is not the bill, as it passed, substantially the bill of the tariff commission?"

"No, sir; the tariff commission had nothing to do with internal taxes. The internal revenue sections were in the House bill of last session, and were then amended by the Senate. That bill gave the Senate jurisdiction of the subject. It was only under cover of amendment to that bill that the Senate could pass a tariff. At the beginning of this session, the finance committee of the Senate had before it the tariff commission report, which was an admirable and harmonious plan for a complete law fixing the rates of duty on all kinds of imported merchandise, and, what was better, an admirable revision of the laws for the collection of duties and for the trial of customs cases. If the committee had adopted this report, and even had reduced the rates of duty proposed by the commission, but preserved the harmony and symmetry of the plan, we would have had a better tariff law than has existed in this country. But, instead of this, the committee unduly reduced the duties on iron and steel, and raised the duties on cotton and woolen manufactures, in some cases higher than the old tariff. The committee restored nearly all the inequalities and incongruities of the old tariff,

and yielded to local demands and local interests to an extent that destroyed all symmetry or harmony. But still the bill reported to the Senate was a passable tariff except as to iron and wool; but it was not in any respect an improvement on the tariff commission report."

Senator Morrill, in a long letter to the New York "Tribune" of the date of April 28, 1883, made a reply to my objections to the tariff amendment, but it did not change my opinion, and now, after the lapse of many years, I am still of the same opinion. The tariff act of 1883 laid the foundation of all the tariff complications since that time.

During this session a bill to regulate and improve the civil service of the United States was reported by my colleague, Mr. Pendleton, and was made the subject of an interesting debate in the Senate, which continued most of the month of December, 1882. It passed the Senate by the decisive vote of 38 yeas to 5 nays. It was referred to the committee on reform in the civil service in the House of Representatives, was promptly reported, and, after a brief debate, passed that body and was approved by the President. This important measure provided for a nonpartisan civil service commission composed of three persons, and defined their duties. It withdrew from party politics the great body of the employes of the government. Though not always wisely executed it has been the basis of reforms in the civil service, and, with some amendments to promote its efficiency, is now in successful operation.

The tendency of all parties is to include under civil service rules all employments in the executive branch of the government, except those that, by the constitution, are appointed by the President by and with the advice and consent of the Senate. If to this should be added an imperative provision of law forbidding any Member of Congress from applying for the appointment of any person to an executive office, the abuses of the old system would be corrected and the separate departments of the government would be independent of each other. My experience as an executive officer convinced me that such a mandatory provision would not only break up the "spoils system," but would relieve the President and heads of departments, as well as Members of Congress, from much of the

friction that often disturbs them in the discharge of their separate duties.

Before I returned home in the spring of 1883, the nomination of a candidate for governor was being canvassed in the press and among the people of Ohio. My name, among others, was mentioned, but I did not take any interest in the suggestion of my nomination, supposing it was a passing thought that, upon reflection, would be abandoned. No one could then foresee how the legislature to be elected in the fall would stand politically, and my friends would hardly risk the loss of a Republican Senator, through my resignation, to compliment me with an election as governor.

I returned to Ohio early in April, and, as usual, paid my respects to the general assembly, then in session at Columbus. I was kindly received and expressed my thanks as follows:

"Gentlemen of the general assembly, I thank you for this hearty reception. In this house of speechmakers I will be pardoned for not making an address. You are the representatives of the people, and to you I owe my first allegiance, doing as best I can the will of the people of Ohio and of the United States, without respect to party, creed or condition. In the closing hours of your session you are too much engaged for me to indulge in any remarks, and so I bid you good-bye. Again, gentlemen, I return my warmest thanks."

I was received in the same manner in the senate. I found a much stronger feeling in favor of my nomination for governor than I expected. I therefore stated definitely that I could not be a candidate, and a few days afterwards, in reply to an editor who was entitled to a frank answer, as to whether my name was to be at the head of the state ticket, I said:

"I am not a candidate, never have been, and could not accept the gubernatorial nomination under any circumstances. It is out of the question. There was a manifest disposition at one time to run me *nolens volens*, but my friends now understand my position fully, and will not press the point. It is as though the possibility had never been suggested, and the less said about it the better."

This declaration was variously regarded by the newspapers; by one as a proclamation of a panic, by another as a doubt of success, by another as a selfish desire to hold on to a better

office, neither of which was true. While I did not wish the nomination, I would have felt it my duty to accept if the convention had determined that my acceptance was necessary for success. Upon my return to Mansfield in May, in an interview with a reporter, I mentioned several able men in the state who were well qualified for that office. I spoke of Judge Foraker as one who would make an acceptable candidate. I did not then know him personally, but from what I heard of him I preferred him to any other person named. He was young, active, eloquent and would make a good canvass. At that time there was a movement to push the nomination of Thurman and Sherman as competing candidates. The state convention was approaching and I had been invited to attend. I went to Columbus on the 5th of June. All sorts of rumors were being circulated. The general trend of them was thus stated by a leading Republican journal:

"The question is being quietly discussed by a number of prominent Republicans, and the movement promises to assume such proportions before the day of the convention, that it will result in the nomination of Senator Sherman for governor. It has been stated that Mr. Sherman would not accept, yet one of the most prominent of Ohio Republicans says, with emphasis: 'Mr. John Sherman has been honored for the last thirty years by the Republican party, and he could not afford to decline the nomination, and he would not.' The great interest manifested throughout the country in Ohio, is such that it is deemed wise, owing to existing circumstances, to insist on the nomination of Mr. Sherman, thereby avoiding all contest in the convention, and giving a national prominence to the campaign. Should this be done, as it is now believed that it will be, the nomination of ex-Senator Thurman, by the Democrats, would be a foregone conclusion."

As the delegates arrived it was apparent that there was a general desire that I should be nominated, and several delegations came to my room to urge me to accept. Among others who came to me were Messrs. Jones, Johnson and Fassett, of the Mahoning county delegation. After some general conversation they said that in order that they might act with a full knowledge of the situation, and with reference to the best interests of the party, they desired to ask me if I was or would be a candidate for the nomination of governor. I answered directly, and plainly, that I was not a candidate; would not

and could not become one. I said I was sorry that matters had shaped themselves as they had, as I was put in the position of refusing to obey the call of my party, that I believed it was the place of every man to take any responsibility that could be put upon him, but that, in this case, my duty was in another direction, that I thought my place then was in the Senate, and that the possible danger of a Democratic successor there ought to be avoided.

The convention met on the morning after my arrival, and I was selected as chairman. I was not aware until I arrived in Columbus that I was to preside over the convention, but, as customary on taking the chair, I made an address thanking the convention for the honor conferred upon me, briefly reviewed the history of the Republican party, spoke of the tariff, the liquor and other questions which would have to be met in the canvass, and appealed to all present to unite and use their utmost endeavors for success.

Notwithstanding my repeated statements that I could not accept the nomination, J. M. Dalzell arose from the ranks of the delegation from his district, in the rear part of the hall, and, mounting his seat, made an enthusiastic speech nominating me for governor. I declined in the following words:

"GENTLEMEN OF THE CONVENTION:—I have not been insensible to the desire of many gentlemen and personal friends to put my name in nomination for governor. But let me say frankly but firmly that I cannot be your candidate. In order that I may not be misunderstood, I desire your attention for a few moments, to state my reasons for declining the nomination. I have been under so many obligations to the Republican party of Ohio, that, if this was merely a matter of personal interest or feeling, I would say 'yes!' But, I cannot accept this nomination. First, because you have charged me with the duty of a Member of the Senate of the United States; and I could not surrender that, with my sense of what is just, not only to the people of Ohio, but to the people of the United States. And I will say that that view is shared by many of my associates in the Senate. They deprecate any movement of this kind on account of the condition of affairs there. But, aside from that, there is one consideration that would prevent me from becoming a candidate now. When early applied to on this subject, I stated to the gentlemen whose names were mentioned to come before this convention, that I was not a candidate and would not be a candidate. I could not accept your nomination without a feeling of personal dishonor, and that you certainly do not wish

to bring upon me. Although all of you, my Republican friends, would know I was sincere in that declaration, yet the censorious world at large would say that I had not acted a manly part; I could not bear an imputation of that kind. So that, even if the nomination were presented to me with a unanimous feeling in this convention, yet I would feel bound, by a feeling of personal honor, which is the higher law, especially among Republicans, to decline."

The convention then nominated Joseph B. Foraker for governor by acclamation. He was introduced to the convention and made a long and pleasant address. His speech was well received and he was often interrupted with cheers. He was then about thirty-seven years old, and was but little known throughout the state, but his appearance, manner, and address satisfied the convention and he was at once recognized as a man of ability, who would take and hold a prominent place in the political history of the state. He had enlisted as a boy at Camp Dennison at the early age of sixteen, and rapidly rose through the military grades until, at Mission Ridge, he commanded two companies and led them over the ridge into the enemy's works, being the first man of his regiment over the ridge. He was with Sherman in his celebrated march to the sea. My brother spoke of him in the highest terms of praise. After the war he entered college at Delaware, rapidly advanced through college and completed his study of law, and at an early age was elected to a five years' term as a judge of the superior court of Cincinnati. He is now in the meridian of his intellectual strength, and will, in all human probability, attain higher distinction.

The rest of the ticket was soon completed by the nomination of strong candidates for each of the offices to be filled at that election.

From the beginning of this canvass it was known that the result was doubtful, not only on national issues, but on the recent legislation in Ohio, on the much mooted liquor question.

The "Scott" law imposed a tax on dealers in liquors and beer, and also proposed two temperance amendments which were submitted to the people. The constitution of Ohio declares that "no license to traffic in intoxicating liquors shall hereafter be granted in this state, but the general assembly may, by law, provide against evils resulting therefrom."

As to the status of the legislation in Ohio in 1883, I said during this canvass that, under this provision, the legislature of Ohio for thirty years had, from time to time, passed laws to prevent the evils that arose from the sale of intoxicating liquors, but without effect. The constitution so limited the powers of the general assembly that it could only pass prohibitory and punitive laws. It could not regulate by money license the sale of liquors. Both parties joined in this kind of legislation, but it was safe to say that all the laws on the subject were substantially nullified by popular opinion, or by inability in cities and large towns to enforce them. Thus, in Ohio, we had, for more than thirty years, free whisky, without restraint, without taxation, to a degree that probably did not exist in any other state of the Union, or any other Christian or civilized country. Two years before, the Republican party, in convention at Cleveland, declared itself in favor of an amendment to the constitution which would give the general assembly full legislative power over the traffic, free from the restraint of the old constitution. The legislature, instead of acting upon this proposition, postponed it, and passed what was known as the Pond bill. The supreme court declared that law unconstitutional, as being within the meaning of the inhibition of the constitution. Thus, at the previous election, the Republican party appeared before the people of the state when they were discontented alike with the action of the general assembly and of Congress for its failure to reduce taxes, and so we were badly beaten by the staying from the polls of 70,000 Republican voters.

The causes of this defeat were apparent to every intelligent man. The general assembly, however, at the next session, met the temperance question in a different spirit. It submitted to the people two proposed amendments to the constitution, one providing for full legislative control over the traffic in spirits, and the other providing for the absolute prohibition of the traffic. Pending the action of the people on these two amendments, the legislature provided by a law, called the Scott law, for a tax of $200 annually on the sale of spirituous liquors and $100 on the sale of beer. This law was held to

be constitutional by the supreme court of Ohio. This action of the legislature had been approved by the Republican state convention.

Upon the question thus presented there was a division of opinion in the Republican party. On the one hand, a large body of Republicans, mostly Germans in the large cities, regarded this legislation as an attempt to interfere with their habit of drinking beer, which they regarded as a harmless beverage. On the other hand, the disciples of total abstinence were opposed to the "Scott" law as a license to sell and drink intoxicating liquors, which license, they alleged, was wrong and against public policy. They were for prohibition outright; they regarded the tax law as a covenant with hell, and nominated a ticket to represent their principles. The Democratic party occupied a position of opposition to every proposition about the liquor laws. They placed in nomination, as their candidate for governor, George H. Hoadley, an eminent lawyer, an able speaker and a man of good character and standing. He had been an earnest Republican during and since the war, but had followed the wake of Chase, and joined the Democratic party.

The tariff issue also entered into this canvass. The farmers of Ohio complained that the duty on wool had been reduced, while the duties on woolen goods were increased; that protection was given to the manufacturer and denied to the farmer. A great outcry was made by Democratic orators and newspapers in farming communities against this injustice, and I was selected as the leader and author of it. Handbills were freely distributed by the Democratic committee in public places, denouncing me as the wicked destroyer of the sheep industry of Ohio farmers. I replied that it was true that in the recent tariff act there was a reduction of the duty on wool of about two cents a pound, but that I had opposed it, and did all I could to prevent it, but it was carried by the united vote of the Democratic party in both Houses, aided by a few Republican Senators and Members from New England. I denounced the hypocrisy of those who assailed me, whose representatives voted for even a greater reduction, and some of them for free wool. To all this they

answered: "Did you not vote for the bill on its passage?" I had to say yes, but gave the reasons why, as already stated. No doubt, in spite of the unfairness of this accusation, it had some adverse influence on the election.

This canvass was in many respects a peculiar one. Foraker was active and spoke in nearly every county in the state, and gave general satisfaction, but Hoadley was equally able and, having been until recently a Republican, could not be held responsible for the course of the Democratic party during and since the war. Both the candidates for governor being from Cincinnati, the struggle there was more intense than usual, and was made to turn on the liquor question more than on general politics. When I was asked about the German vote, I said:

"The Germans are, generally speaking, good Republicans, and are really a temperate people. They have always claimed to be willing to pay a tax on the sale of beer and other kinds of liquor. The Scott bill is very moderate—more so than the bills that are being passed in other states. If they mean what they say, I don't think there will be any trouble about electing our ticket."

Immediately after the convention, in company with my townsmen, George F. Carpenter, Henry C. Hedges and M. Hammond, I started on a trip to Helena, Montana. The object was simply recreation and sight-seeing. We stopped on the way at Chicago, St. Paul and other points. Everywhere we went we met interviewers who wanted to know about the Ohio convention and politics in general, but I preferred to talk about the great northwest. Interviews were sought by reporters and were fully given and printed in local papers. Hedges and Carpenter were intelligent gentlemen interested, like myself, in Chicago and St. Paul, and more familiar than I was with the local geography of Wisconsin and Minnesota. With their assistance I became conversant with the topography and productions of these states. I was especially impressed with the growth of St. Paul and Minneapolis. I had purchased, in connection with Mr. Cullen, some years before, forty acres of land adjoining St. Paul. Upon my arrival on this trip he showed me the land, worth then more thousands than the hundreds we paid for it. This was but a specimen of the abnormal growth of these sister

cities, destined, in some not far distant day, to be a single city. From St. Paul we went to Helena, then the terminus of the Northern Pacific railroad, and the newly made capital of Montana. This was the second time I had visited this territory, now a state. I studied, as well as I could, its wonderful resources, both mineral and agricultural. It is properly named Montana. Its mountains are not only filled with minerals of every grade from gold to iron, but they contain, more than any other part of the country, the freaks of nature and in bolder form, such as geysers, sink pots, mountain lakes, deep ravines, and they are surrounded by vast valleys and plains, the native home of the buffalo, now the feeding ground of vast droves of horses, herds of cattle, and flocks of sheep.

The strangely varied surface of the different states of the Union would, in case of war with any power, enable us, from our own soil and from the riches buried under it, to support and maintain our population. Already more than nine-tenths of the articles needed for life and luxury in the United States are the product of the industry of our countrymen. The remaining tenth consists mainly of tea, coffee and other tropical or semi-tropical productions, the products of nations with whom we can have no occasion for war. Articles of luxury and virtu are mainly the production of European nations.

Our partial state of isolation is our greatest strength, our varied resources and productions are our greatest wealth, and unity in national matters, independence in local matters, are the central ideas of our system of government.

On our return we stopped for a day at Bismarck, Dakota, then a scattered village, but already putting on airs as the prospective capital. We passed through St. Paul, Milwaukee, Grand Rapids and Detroit on our way to Mansfield. This trip, leisurely taken, occupied about one month.

During the remainder of the summer, until the canvass commenced, I had a period of rest and recuperation. It was interrupted only by the necessity of making some preparation for the canvass, which it was understood was to commence on the 25th of August. I carefully dictated my opening speech, which was delivered at Findlay on that day to a large audience. It was

printed and circulated, but most of the points discussed have been settled by the march of time. Some of them it may be of interest to recall. I contrasted the condition of Findlay then to Findlay when I first saw it, but if the contrast was to be made now it would be more striking. I described the formation and history of parties as they then existed, and assumed that as Hoadley, who had been an Abolitionist or Republican and a supporter of the war, was then the Democratic candidate for governor, and that as Ewing and Bookwalter, the latest Democratic candidates for governor, had also been Republicans, we could assume this as a confession that the measures of the Republican party were right. I said: "All these distinguished and able gentlemen have been Republican partisans, as I have; and Judge Hoadley has, I think, been rather more free in his denunciation of the Democratic party than I have. To the extent, therefore, of acquiescence in the great issues that have divided us in the past, *the Democratic party concedes that we were right.*"

I then presented the liquor question and the Scott law. I defended the tax imposed by this law as a wise tax, the principle of which had been adopted in most of the states and in the chief countries of Europe. Hoadley, instead of meeting this argument fairly, attacked the proposed amendment to the constitution prohibiting the sale of spirits and beer as a part of the creed of the Republican party, instead of a mere reference to the people of a disputed policy. This was the display of the skill of a trained lawyer to evade the real issue of the "Scott" bill. He treated the reduction of the duty on wool with the same dexterity, charging it upon the Republican party, when he knew that every Democratic vote had been cast for it, and for even a greater reduction, and that nearly every Republican vote had been cast against it. The entire canvass of Hoadley was an ingenious evasion of the real issues, and in its want of frankness and fairness was in marked contrast with the speeches of Foraker.

After the Findlay meeting I went to Cincinnati and attended the harvest home festival in Green township, and read an address on the life and work of A. J. Downing, a noted horticulturalist and writer on rural architecture. I have always

been interested in such subjects and was conversant with Downing's writings and works, especially with his improvement of the public parks in and about Washington. He was employed by the President of the United States in 1851, to lay out and superintend the improvement of the extensive public grounds between the capitol and the executive mansion at Washington, commonly known as the "Mall." This important work was entered upon by him, with the utmost enthusiasm. Elaborate plans of the Mall and other public squares were made by him, walks and drives laid out; the place for each tree, with its kind and variety determined, and the work of planting mainly executed. He, with an artist's eye, saw the then unadorned beauties of the location of the capital; the broad sweep of the Potomac, the valley and the plain environed by its rim of varied hills, broken here and there by glens and ravines. He spoke of it with enthusiasm, and no doubt, above all other hopes, wished, by his skill, to aid in making the city of Washington as magnificent in its views and surroundings as any city in Europe. But man proposes and God disposes. It was not to be the good fortune of Mr. Downing to complete his magnificent plans for converting the filthy, waste commons of the capital into gardens of delight; but they have been executed by others, and have contributed largely to making Washington what he wished it to be, a beautiful city, parked and planted with specimens of every American tree worthy of propagation, and becoming adorned with the best models of architecture, not only of public edifices, fitted for the great offices of the nation, but of many elegant private houses.

I had been invited by the Lincoln club, of Cincinnati, to attend a reception at their clubhouse on the evening of the 1st of September. It is a political as well as a social club, and I was expected to make a political speech. I did so, and was followed by Foraker and H. L. Morey. The usual "refreshments" were not forgotten. I take this occasion to express my hearty approval of the organization and maintenance of political clubs in every city containing 10,000 or more inhabitants. The Republicans of Cincinnati have for many years maintained two

notable organizations, the Lincoln and the Blaine clubs, which have been places of social intercourse, as well as centers for political discussion. Both have had a beneficial influence, not only in instructing their members on political topics, but in disseminating sound opinions throughout the state.

During this visit I was elected a member of the Chamber of Commerce of Cincinnati. I regarded this as an honor, and returned to its members my sincere thanks. Although I have not been engaged in commercial pursuits, yet in my public duties I have often been called upon to act upon commercial questions and interests. I have habitually, in my annual visits to that city, visited the chamber of commerce, and said a few words on the topic of the times in which its members were interested, but never on politics. Every diversity of opinion was there represented.

Cincinnati, situated on the north bank of the Ohio River, with Kentucky on the other side, and Indiana near by, with a large part of its population of German birth or descent, with every variety of race, creed and color, is thoroughly a cosmopolitan city, subject to sudden outbreaks and notable changes. At the time of my visit it was especially disturbed by the agitation of the temperance question. In discussing this, I took the same position as at Findlay, and found but little objection to it, but the opinions expressed by speakers in other parts of the state in favor of prohibition had, as the election proved, a very bad effect upon the Republican ticket.

On the 6th of September I attended the state fair at Columbus. It was estimated that there were at least 40,000 people on the ground that day. It has been the habit to gather around the headquarters and press any public man who appeared to make a speech. Governor Foster and I were together. Mr. Cowden, the president of the fair, introduced Foster and he made a brief address. I was then introduced and said:

"Ladies and Gentlemen:—It has been my good fortune to be able to visit the state fair for many years in succession, but, from the great multitude of people, and the vast concourse before me, I should say that Ohio is rapidly pressing onward in the march of progress. The gray beards I see

before me, and I am among them now, remind me of the time when we were boys together; when, after a season's weary labor, we were compelled to utilize our surplus crops to pay our taxes."

I contrasted the early days of Ohio with its condition then, and closed as follows:

"But this is no time for speechmaking, nor the occasion for further remarks. We have come out to show ourselves, and you do not desire speeches, but you do most want to see the horses, cattle, sheep, hogs, and the implements that make the life of a farmer easier. This is a progress that I love to see. My countrymen, you are crowned with blessings. Enjoy them freely and gratefully, returning thanks to the Giver of all good gifts. This is a free land, and the agricultural masses are the freest, the noblest, and the best of all our race. Enjoy your privileges to the highest point, and be worthy followers of the great race of pioneers who came before you."

During the remainder of this canvass I spoke nearly every week day until the election, and in most of the congressional districts of the state. Some of these speeches were reported and circulated as campaign documents. As the election day approached the interest increased, and the meetings grew to be immense gatherings. This was notably so at Toledo, Dayton, Portsmouth, Cleveland, Circleville and Zanesville. I believed the Republican state ticket would be elected, but feared that the prohibition amendment would prevent the election of a Republican legislature. The result of the election for governor was Hoadley 359,693, Foraker 347,164, and the general assembly elected contained a majority of Democrats in each branch. Henry B. Payne was, on the meeting of the legislature, elected Senator in the place then held by Geo. H. Pendleton.

After the election I went to New York and was met everywhere with inquiries as to the causes of Republican defeat in Ohio. I said the Republicans were defeated because of the prohibition question and the law reducing the tariff on wool; that many Germans feared an invasion of their rights and an interference with their habits, and the farmers objected to the discrimination made by our tariff laws against their industries.

On the 1st of November, 1883, General Sherman relinquished command of the army, with the same simplicity and lack of

display which had characterized his official life at army headquarters. He wrote the following brief order:

HEADQUARTERS OF THE ARMY,
WASHINGTON, November 1, 1883.

General Orders No. 77.

By and with the consent of the President, as contained in General Orders No. 71, of October 16, 1883, the undersigned relinquishes command of the army of the United States.

In thus severing relations which have hitherto existed between us, he thanks all officers and men for their fidelity to the high trust imposed on them during his official life, and will, in his retirement, watch with parental solicitude their progress upward in the noble profession to which they have devoted their lives. W. T. SHERMAN, General.

Official: R. C. DRUM, Adjutant General.

He then rose from his desk, gave his seat to Sheridan, who at once issued his orders assuming his new duties, and the transfer was completed. I know that when the bill for the retirement of officers at a specified age was pending, there was a strong desire in the Senate to except General Sherman from the operation of the law, but the general, who was absent on the plains, telegraphed me not to allow an exception to be made in his favor, insisting that it would be a discrimination against other officers of high merit. Thereupon the Senate reluctantly yielded, but with a provision that he should retain his salary as a general, notwithstanding his retirement.

At this period mention was again made in the newspapers of my name as the nominee of the Republican party for President in the next year. I promptly declared that I was not a candidate and had no purpose or desire to enter into the contest. This discussion of my name continued until the decision of the national convention, but I took no part or lot in it, made no requests of anyone to support my nomination, and took no steps, directly or indirectly, to promote it.

CHAPTER XLVI.

Effect of the Marine National Bank and Other Failures.

Continued Prosperity of the Nation — Arthur's Report to Congress — Resolution to Inquire Into Election Outrages in Virginia and Mississippi — Reports of the Investigating Committee — Financial Questions Discussed During the Session — Duties and Privileges of Senators — Failure of the Marine National Bank and of Grant and Ward in New York — Followed by a Panic in Which Other Institutions Are Wrecked — Timely Assistance from the New York Clearing House — Debate in the Senate on the National Bank System — Dedication of the John Marshall Statue at Washington — Defeat of Ingalls' Arrears of Pensions Amendment to Bill to Grant Pensions to Soldiers and Sailors of the Mexican War — The Senate Listens to the Reading of the Declaration of Independence on July 4.

THE message of President Arthur, submitted to Congress on the 4th of December, 1883, presented a condition of remarkable prosperity in the United States. We were at peace and harmony with all nations. The surplus revenue for the fiscal year ending June 30, 1883, amounted to $134,178,756.96, all of which was applied to the reduction of the public debt. It was estimated that the surplus revenue for the then fiscal year would be $85,000,000, and for the next fiscal year $60,000,000. The President called the attention of Congress to the revenue act of July, 1883, which had reduced the receipts of the government fifty or sixty million dollars. While he had no doubt that still further reductions might be wisely made, he did not advise at that session a large diminution of the national revenues. The whole tenor of the message was conservative and hopeful.

During this session, upon representations made to me and after full reflection, I felt compelled, by a sense of public duty, to institute an inquiry into events connected with recent elections held in the States of Virginia and Mississippi. I did so with extreme reluctance, for I did not care to assume the labor of such an investigation. On the 23rd of January, 1884, I

introduced a preamble setting out in detail the general charges made as to events currently reported in the public press prior to the elections in November, 1883, in Danville, Virginia, and Copiah county, Mississippi, with the following resolution:

"*Resolved*, That the committee on privileges and elections be, and it is hereby, instructed to inquire into all the circumstances of, and connected with, the said alleged events, and into the condition of the constitutional rights and securities before named of the people of Virginia and Mississippi, and that it report, by bill or otherwise, as soon as may be; and that it have the power to send for persons and papers, and to sit during the sittings of the Senate, and that it may employ a stenographer or stenographers."

On the 29th of January I called up the resolution, and made the following remarks explaining why I introduced the resolution and requested an investigation:

"Since the beginning of the present session, I have felt that the recent events in the States of Virginia and Mississippi were of such importance as to demand a full and impartial investigation of the causes which led to them, of the real facts involved, and of the proper constitutional remedy to prevent their recurrence, and, if necessary, to further secure to all American citizens freedom of speech in the open assertion of their political opinions and in the peaceful exercise of their right to vote.

"Now that sufficient time has elapsed to allay to some extent the excitement caused by these events, I hope the Senate will make this investigation, so that our citizens in every state may understand how far the national government will protect them in the enjoyment of their rights, or, if it is helpless or listless, that, no longer relying upon the barren declarations of the constitution, each man for himself may appeal to the right of self-defense, or to the boasted American right of migration to more friendly regions.

"The allegations in this resolution as to the Danville riot, or massacre, are founded upon statements in the public prints, supported by the oaths of witnesses, and their substantial truth is also verified by the published statement of a Member of this body, a Senator from the State of Virginia.

"The allegations as to Mississippi are founded upon copious narratives in the public prints, the proceedings of public meetings, and the actions and failure to act of officers of the state government, including governors, judges, courts, and juries.

"I have not deemed it proper, at this stage of the investigation, if it is to be made, to enter into the details of the facts, although I have before me a voluminous collection of all these various statements published in the papers of different political parties and from different persons.

"If these statements are true, then in both these states there have been organized conspiracies to subvert the freedom of elections, accompanied by

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murder and violence in many forms. The crimes depicted are not ordinary crimes, common in all societies where the criminal falls under the ban of public justice, and is pursued by officers of the law, tried, convicted, or acquitted; but the crimes here alleged are that a prevailing majority subverts by violence the highest constitutional rights and privileges of citizens, and cannot, from their nature, be inquired of or punished by ordinary tribunals. If they are true, then in those communities the members of our party and one race have no rights which the prevailing party is bound to respect.

"It is not well to assume these allegations to be true without the fullest investigation and inquiry by the legislative power, for, if true, the gravest questions of public policy arise that we have been called upon to consider since the close of the Civil War. I have no desire to open up sectional questions or to renew old strifes, but would be glad to turn my back upon the past and devote myself to questions of peace, development, and progress. Still, if these allegations are true, it would be a cowardly shrinking from the gravest public duty to allow such events to deepen into precedents which would subvert the foundation of Republican institutions and convert our elections into organized crimes. I do not say these allegations are true, but they come to us with such apparent seeming of truth that we are bound to ascertain their truth or falsehood by the most careful and impartial inquiry.

"If the events at Danville were the result of a chance outbreak or riot between opposing parties or different races of men, they may properly be left to be dealt with by the local authorities; but if the riot and massacre were part of machinery, devised by a party to deter another party, or a race, from the freedom of elections, or the free and open expression of political opinions, then they constitute a crime against the national government, the highest duty of which is to maintain, at every hazard, the equal rights and privileges of citizens.

"If the events in Copiah county, Mississippi (which is a large and populous county containing twenty-seven thousand inhabitants, and evidently a very productive county), were merely lawless invasions of individual rights, then, though they involved murder as well as other crimes, they should be left to local authority, and if justice cannot be administered by the courts, and the citizen is without remedy from lawless violence, then he must fall back upon his right of self-defense, or, failing in that, he must seek a home where his rights will be respected and observed. But if these individual crimes involve the greater one of an organized conspiracy of a party, or a race, to deprive another party or race of citizens of the enjoyment of their unquestioned rights, accompanied with overt acts, with physical power sufficient to accomplish their purpose, then it becomes a national question which must be dealt with by the national government.

"The war emancipated and made citizens of five million people who had been slaves. This was a national act, and whether wisely or imprudently done it must be respected by the people of all the states. If sought to be reversed in any degree by the people of any locality it is the duty of the national government to make their act respected by all its citizens. It is

not now a question as to the right to stop at an inn, or to ride in a car, or to cross a bridge, but it is whether the people of any community can, by organized fraud, terror, or violence, prevent a party or a race of citizens from voting at an election, or the expression of opinions, or deny to them the equal protection of the law. No court has ever denied the power of the national government to protect its citizens in their essential rights as freemen. No man should be allowed to hold a seat in either House of Congress whose election was secured by crimes such as are depicted here.

"Nor is it sufficient to say that the elections referred to were not national elections in the sense that they did not involve the election of a President or of a Member of Congress. While the power of Congress over the election of Senators, Representatives, and the President extends to making and altering laws and regulations passed by the respective states, and therefore is fuller than in respect to state elections, yet the constitution provides that 'The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated;' that 'All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States;' that 'No state shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any state deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws;' and that 'The right of citizens of the United States to vote shall not be denied or abridged by the United States, or by any state, on account of race, color, or previous condition of servitude.' It was also declared that 'Congress shall have power to make all laws which shall be necessary and proper for carrying into execution the foregoing powers and all other powers vested by this constitution in the government of the United States, or in any department or officer thereof.' Power is also given to Congress to enforce the recent amendments by appropriate legislation.

"If the essential rights of citizenship are overthrown by a state or by the people of a state, with the sanction of the local authorities within the limits of the state, then Congress, as the legislative power of the United States, is bound to provide additional safeguards, and should exhaust all the powers of the United States government to maintain these essential rights of citizenship within the limits of all the states, in as full and complete a manner as it will guard and protect the unquestioned rights of citizens of the United States within the domains of the most powerful nations of the world. Surely a citizen of the United States has as much right in any one of the states as he would have in a foreign land, however remote or however powerful its government may be. Protection at home in the secure enjoyment of the rights of person and property is the foundation of all human government, without which its forms are a mockery and with which mere forms of government become a matter of indifference. Protection goes with allegiance, and allegiance ceases to be a duty when protection is denied.

"I can appreciate the great change that has occurred in the southern states, the natural antagonisms which would arise by the emancipated slaves mingling in the same community with their former masters, with equal civil and political rights with those who had held them as slaves; I can pardon the prejudices of race, of caste, and even of local ties; and the American people have, I think, waited with great forbearance, waited patiently for the time when constitutional rights would be respected without regard to race, or color, or creed, or party. If the time has come, as alleged in the papers before me, when members of the Republican party, through whose agency largely the existence of the government has been maintained intact over the broad extent of our country, cannot express their free opinions, cannot enjoy their constitutional rights, are murdered at the ballot box without fear on the part of their murderers of punishment, and driven from their homes by outrage and terror, and that white and black alike are subject to ostracism and injustice, and as a party are disfranchised in large portions of the regions where in war they asserted and maintained the powers of the national government, then indeed is patient inquiry demanded, and a full, open, and manly assertion that the rights and equalities of citizens shall be maintained and enforced at every hazard.

"If the Copiah resolutions are the creed of the Democratic party in the south, then indeed is the war a failure, and we must expect again the fierce sectional excitement, deepened by injury and disappointment. Written in the light of the events alleged to have transpired in the presence of the men who wrote and adopted these resolutions, they seem to me the very germ of despotism and barbarity, and yet I am assured by a gentleman friendly to them that they are the creed of nine-tenths of the party in power in Mississippi. I should like to know—it is right that we should learn—the groundwork of opinions so utterly repugnant to republican institutions.

"In this investigation I would seek every palliation or excuse for the conduct of the people complained of. I would give to their motives and to the natural feelings of mankind in their situation the most charitable construction. I would give to them all political power they ever enjoyed, and, without unkindness, or pains, or penalties, or even reproaches, I would extend to them every right, favor, or facility, that is enjoyed by any citizen in any part of our country; but when this concession is made to them I would demand that in the states under their control the freedom and equality of rights and privileges guaranteed by the constitution and the laws to all citizens, white or black, native or naturalized, poor or rich, ignorant or learned, Republican or Democrat, shall be secured by the state government, or, if not, that their rights and privileges shall be asserted and maintained by the national government. Upon this issue I would appeal to every generous-minded man, to every lover of his country, to everyone who wishes to enjoy his own rights by his own fireside, free from embarrassment, to stand by those who, yielding to others the protection of the laws in the enjoyment of equal rights, will demand the same for themselves and for their associates."

General Mahone made a long and interesting speech in respect to the Danville election.

The resolution was adopted by a party vote, yeas 33, nays 29. As the investigation ordered embraced two distinct series of events, they were separately considered and reported upon by the committee on privileges and elections. Mr. Hoar was chairman of the committee. I was a member of the committee and assumed the chief work in the examination of witnesses as to the events in Danville. Mr. Lapham prepared the majority report, and Mr. Vance the report of the minority. These reports, with the testimony taken, were printed in a document containing 1,300 pages. The Copiah county matter was referred to another sub-committee. As no affirmative action was taken on these reports, I do not care to recite at any length either the report or the evidence, but it is sufficient to say that the allegations made in the preamble of the resolution were substantially sustained by the testimony. There was a deliberate effort on the part of the Democrats at Danville, and in other parts of Virginia, to prevent the negroes from voting, and preceding the November election this movement was organized by the formation of clubs, and every means were adopted to intimidate and suppress the Republican vote. A letter, called the Danville circular, was prepared and issued to the southwest valley of Virginia containing the most inflammatory language, evidently intended to deter the negroes from voting.

The incidents connected with the Danville massacre preceding the election were very fully stated in the report, and established clearly that the massacre was planned at a Democratic meeting at the opera house, at which five hundred or more had assembled. A scuffle grew out of a pretended quarrel between Noel and Lawson, two white men, and revolvers were drawn and warning given to the colored men to stand back or they would every one of them be killed. A colored policeman endeavored to separate the two men who were fighting, and soon after there was a general firing from pistols and guns by white men at the negroes, the number of shots being variously estimated at from 75 to 250. The negroes fled. There was

no evidence that the negroes fired a shot until after the whites fired a general volley at them, and the weight of the evidence was that very few had any weapons, that they had gathered there in their working clothes as they had come out of the factories, of all ages and both sexes, unquestionably from curiosity and not with any view of violence or preparation for it. The whites, on the contrary, were generally armed, were expecting an outbreak and obviously seeking a pretext for resorting to violence. Many of the whites emptied their revolvers and the evidence showed that Captain Graves reloaded his. There was conflicting evidence as to the negroes having arms. Only one was shown to have exhibited any before the firing, and the colored witnesses and many of the whites, including some of the policemen, said they saw no arms in the hands of the colored men except the one named, and there was no reliable evidence that he fired. There was no evidence to be relied upon that any of the colored men fired, except some witnesses stated that the colored men, as they were running, fired over their shoulders. The evidence tended to show that the violence was premeditated, with the avowed purpose of intimidation.

I do not follow this investigation further, as no doubt the condition of affairs which led to it is now changed. The result was the murder of four unoffending colored men and the wounding of many others. The evidence seemed entirely clear that it was the consummation of a deliberate purpose, for which the Democratic clubs had fully prepared.

I believe that the investigation, while it led to no important measure, had a good effect, not only in Danville, but throughout the south. The problem of the two races living together in the same community with equal political rights is a difficult one, and has come to be regarded by men of all parties as one that can only be settled by each state or community for itself. It is impossible for a government like ours, with limited powers, to undertake the protection of life and property in any of the states except where resistance is made to national authority. All the signs indicate that a better feeling now exists between the two races, and their common interests will lead

both to divide on questions of public policy, without regard to race or color.

Among the bills pressed on this Congress was one introduced by Mr. Blair, of New Hampshire, and chiefly advocated by him, to aid in the establishment and temporary support of common schools. It provided for the appropriation of $120,000,000 to be distributed among the states upon the basis of illiteracy, $15,000,000 for the current fiscal year, and a smaller sum each year for fifteen years, until the total sum was exhausted. The apportionment proposed would have given to the southern states $11,318,394 out of the $15,000,000. The money was not to be disbursed by the United States, but was to be placed in the hands of state authorities. The object designed of diminishing illiteracy in the south, especially among the freedmen, was no doubt a laudable one, but the measure proposed was so radical and burdensome, and so unequal in its apportionment among the states, that I assumed it would be defeated, but it passed the Senate by a large majority. The advocates of a strict construction of the constitution voted for it in spite of their theories. The bill, however, was defeated in the House of Representatives.

An interesting debate arose between Mr. Beck and myself, during this session, upon the question of the sinking fund, which he seemed to regard as a part of the public debt. It is, in fact, only a treasury statement of the debt to be paid each year, and the amount actually paid. In 1862, when the war was flagrant, Congress provided that one per cent. of the principal of the public debt should be paid each year as a "sinking fund." While the United States was borrowing large sums and issuing its bonds, it was folly to pay outstanding bonds, and this was not done until 1868, when the treasury was receiving more money than it disbursed. In the meantime, the treasury charged to the "sinking fund," annually, the sum of one per cent. of the amount of outstanding securities of the United States. When the receipts exceeded expenditures, so much of the balance on hand as was not needed was applied to the purchase of bonds, and such bonds were canceled and the amount paid was placed to the credit of this fund. In the

general prosperity that followed, and until 1873, the sums thus credited increased so that the amount of bonds paid was equal to, if not in excess of, the annual charge against that fund, and the amount charged against it prior to 1868. When the financial panic of 1873 occurred, the revenues fell off so that they were insufficient to meet current expenditures. This prevented any credits to the sinking fund until 1878, when the pendulum swung the other way, and the fund was rapidly diminished by bonds purchased from the surplus revenue, and credited to the fund, so that when Mr. Beck interrogated me I was able to say that the sinking fund had to its credit a considerable sum; in other words, the United States had paid its debt more rapidly than it had agreed to pay it. The term "sinking fund," as applied to the national accounts, is a misleading phrase. It is a mere statement of the reduction or increase of the public debt, showing whether we have or have not paid one per centum of the public debt each year. There is no actual fund of the kind in existence for national purposes.

Another financial question was presented at this session and before and since. The national banking act, when it passed in 1863, provided that circulating notes of national banks should be issued for only ninety per cent. of the amount of United States bonds deposited in the treasury for their security. At that time bonds were worth in the market about fifty per cent. in coin, or par in United States notes. Soon after the war, bonds advanced far above par in coin and have been worth thirty per cent. premium. Yet, in spite of this, Congress has repeatedly refused to allow notes to be issued by national banks, to the par value of bonds deposited on security, thus limiting the amount of bank notes unreasonably. I introduced a bill early at this session to correct this. It passed the Senate, but was ignored in the House. The same result has happened at nearly every Congress since, even when the bonds were so high as to deter the issue of bank notes when they were greatly needed.

During this session a delicate question arose whether a Senator could refuse to vote when his name was called, and he was present in the Senate. The Senate being so closely divided a

few Senators might, by refusing to answer their names, suspend the business of the Senate when a quorum was present. Mr. Bayard and myself agreed that such a practice would be a breach of public duty, which the Senate might punish. Senators may retire from the Chamber, but the Senate can compel their attendance. If a case should arise where a Senator, being present, and not paired, should, without good reason, refuse to vote, he should be censured. The increase in the number of Senators makes this question one of importance, but I hope the time will never come when it practically shall arise.

The Senate is properly a very conservative body, and never yields a custom until it is demonstrated to be an abuse. The committee on appropriations is a very important one. It is always composed of experienced Senators, who are careful in making appropriations, but there are appropriations which ought not to be referred to them. Their chief duty is performed in the closing days of the session, when all business is hurried, and they have little time to enter into details. They are entirely familiar with the great appropriations for the support of the government, and can best judge in respect to them, but there are other appropriations which ought to be passed upon by committees specially appointed for specific duties, like that of the District of Columbia. No reason can be given why these appropriations should not be acted upon by such committees. It is true that the appropriation committee ought to simply report such sums as are necessary to carry into execution existing laws. That is their function, according to the rules, and that function they can perform very well in regard to such expenditures; but the expenditures of the government for the District, rivers and harbors, fortifications, pensions, and certain other objects, are not defined or regulated by law. In the case of the District of Columbia, a few officers named in the appropriation bill are provided for by law, but the great body of the expenditures is for streets, alleys and public improvements, nine-tenths of all the appropriations made for the District being, in their nature, new items not fixed by existing law.

On the 6th of May, 1884, the country was startled by the failure of the Marine National Bank of New York, an institution that had been in high credit and standing. The circumstances connected with the failure excited a great deal of interest and profound surprise. Immediately in connection with the failure of this bank the banking firm of Grant & Ward, in the city of New York, failed for a large amount. Their business was complicated with that of the Marine National Bank, and disclosures were made which not only aroused indignation but almost created a panic in the city of New York.

Almost contemporaneous with this the insolvency of the Second National Bank of New York, for a very large sum, became public, and the alleged gross misconduct of the president of that bank, John C. Eno, became a matter of public notoriety. Steps were taken by the officers and stockholders of the bank, including the father of the president, to relieve it from bankruptcy.

Also, and in connection with the failure of the Marine National Bank, there were disclosed financial operations of a strange and extraordinary character of the president of that bank, James D. Fish. All these events coming together caused much excitement and disturbance in New York. They led to a great fall of securities, to a want of confidence, and to a general run, as it is called, upon banks and banking institutions, including the savings banks. It appeared as if there were to be a general panic, a financial revulsion, and wide-reaching distress.

At that time also, and in connection with the other events, came the temporary suspension of the Metropolitan National Bank, one of the oldest, largest, and in former times considered among the best, of all the banks in the city of New York. This was partly caused by rumors and stories of large railroad operations and indebtedness of Mr. Seney, the president of the bank, which resulted in a gradual drawing upon the bank.

At once the Secretary of the Treasury did what he could to relieve the money market, by prepaying bonds which had been called in the process of the payment of the public debt; but the principal relief given to the market at that time was the

action of the Clearing House Association of New York, by the issue of over $24,000,000 of clearing house certificates. This was purely a defensive operation adopted by the associated banks of New York, fifteen of which are state institutions and the balance national banks.

All that was done in New York to prevent a panic was done by the banks themselves. The government of the United States had no lot or parcel in it except so far as the Secretary of the Treasury prepaid bonds that had already been called, a transaction which has been done a hundred times. So far as the government was concerned it had nothing to do with these banks; the measures of relief were furnished by the banks themselves.

This condition of financial affairs led to a long debate in the Senate, commencing on the 17th of June, on the merits and demerits of the system of national banks, and especially of the clearing house of the city of New York. The comptroller of the currency had taken active and efficient measures to protect the interests of the United States. He was called before the committee on finance and gave a full statement of these measures. It was apparent that the temporary panic grew out of the reckless and criminal conduct of a few men and not from defects in the national bank system or the clearing house. The debate that followed, in the Senate, was mainly between Morgan, Beck and myself. I stated fully the methods of conducting the business of the clearing house, a corporation of the State of New York, and closed as follows:

"As the prosecution against John C. Eno is now pending in Canada, a foreign country, as a matter of course no one can state what will be the result of it. We only know that proper legal proceedings are now being urged to have an extradition, and if he is brought within the jurisdiction of the courts as a matter of course the prosecution can then be pushed. So with James D. Fish. Indictments have been had and are now pending against him for a violation, not only of the national banking act, but I believe also for a violation of the state law; and the same is to be said of Ferdinand Ward. These three persons are the only ones who have been charged with fraudulent and illegal transactions leading to these financial disasters. The Metropolitan bank, thanks to the agency and the aid that was given in a trying time, is now going on and doing business as of old, no doubt having met with large losses.

"It is a matter of satisfaction that with the single exception of the Marine Bank, of New York, no national bank has been overwhelmed by this disaster. It is true that the Second National Bank was bankrupted by the crimes and wrongs of John C. Eno, but his father, with a sensitive pride not to allow innocent persons to suffer from the misconduct of his son, with a spirit really worthy of commendation, here or anywhere else, threw a large sum of money into the maelstrom and saved not only the credit of the bank and advanced his own credit, but to some extent, so far as he could at least, expiated the fault, the folly, and the crime of his son. The Metropolitan Bank is relieved from its embarrassments by its associate banks. The losses caused by the speculations of its president did not entirely fall upon the bank. That bank, now relieved from the pressure of unexpected demands, is pursuing its even tenor. It seems to me that all these facts taken together show the strength and confidence that may well be reposed in the national banking system. The law cannot entirely prevent fraud and crime, but it has guarded the public from the results of such offenses far better than any previous system."

On the 10th of May, 1884, which happened to be my birthday, the statue of John Marshall, formerly Chief Justice of the United States, was dedicated. This is a bronze statue in a sitting posture, erected by the bar of Philadelphia and the Congress of the United States. A fund had been collected shortly after the death of Marshall, but it was insufficient to erect a suitable monument, and it was placed in the hands of trustees and invested as "The Marshall Memorial Fund." On the death of the last of the trustees, Peter McCall, it was found that the fund had, by honest stewardship, increased sevenfold its original amount. This sum, with an equal amount appropriated by Congress, was applied to the erection of a statue to the memory of Chief Justice Marshall, to be placed in a suitable reservation in the city of Washington. The artist who executed this work was W. W. Story, a son of the late Justice Story of the Supreme Court. I was chairman of the joint committee on the library and presided on the occasion. Chief Justice Waite delivered an appropriate address. He was followed by William Henry Rawle, of Philadelphia, in an eloquent oration, closing as follows:

"And for what in his life he did for us, let there be lasting memory. He and the men of his time have passed away; other generations have succeeded them; other phases of our country's growth have come and gone;

other trials, greater a hundredfold than he or they could possibly have imagined, have jeopardied the nation's life; but still that which they wrought remains to us, secured by the same means, enforced by the same authority, dearer far for all that is past, and holding together a great, a united and happy people. And all largely because he whose figure is now before us has, above and beyond all others, taught the people of the United States, in words of absolute authority, what was the constitution which they ordained, 'in order to form a perfect union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to themselves and their posterity.'

"Wherefore, with all gratitude, with fitting ceremony and circumstance; in the presence of the highest in the land; in the presence of those who make, of those who execute, and of those who interpret, the laws; in the presence of those descendants in whose veins flows Marshall's blood, have the bar and the Congress of the United States here set up this semblance of his living form, in perpetual memory of the honor, the reverence and the love which the people of this country bear to the great chief justice."

During this session Mr. Ingalls offered to a House bill granting a pension to soldiers and sailors of the Mexican War, the following amendment:

"That all pensions which have been or which may hereafter be granted in consequence of death occurring from a cause which originated in the service since the 4th day of March, 1861, or in consequence of wounds or injuries received or disease contracted since that date in the service and in the line of duty, shall commence from the death or discharge of the person on whose account the claim has been or is hereafter granted, if the disability occurred prior to discharge, and if such disability occurred after the discharge, then from the date of actual disability, or from the termination of the right of the party having prior title to such pension."

I opposed this sweeping provision with much reluctance, as I have always favored the granting of the most liberal pensions consistent with the public interests. I said:

"I regret very much to oppose any proposition that is favored by the Union soldiers of the American army; and I perhaps should feel some hesitation in doing it, only that I know very well that the soldiers themselves, like all other citizens, are divided in opinion as to this measure.

"This proposition repeals all restriction as to time upon applications to be made for arrears of pensions, and extends all pensions back to the war or date of discharge or disability, not only of those who have heretofore applied, but of those who may hereafter apply. It removes absolutely all restrictions upon the applications for arrears of pensions. And if this only involved ten or even twenty million dollars, I might still hesitate, because I have always,

since the close of the war, voted for every measure that has been offered in good faith for the benefit of the Union soldiers. My heart, my feelings are all with them. I appreciate the value of their services, the enormous benefits they have conferred upon the people of America for generations yet unborn, and I hesitate therefore to oppose any wish that they may express through their organs.

"This measure involves an immense sum of money. That alone would not be conclusive. But here is a motion made by a Senator, without the report or sanction of any committee of this body, to put upon the people of the United States a great demand, ranging anywhere up to $246,000,000, a proposition so indefinite in character that the commissioner of pensions is utterly unable to give us any approximate estimate, but gives his guess as near as he can. He says that this proposition will involve the expenditure of $246,000,000."

Mr. Ingalls made a sturdy effort for his amendment, and quoted a declaration of the Republican national convention in favor of arrears of pensions, to which I replied that, when I remembered that the platform of the last Republican convention had been made up in a few hours, on a sweltering hot day, by forty-two men hastily called together, most of whom never saw each other before, I did not think it ought to be taken as a guide for Senators in the performance of their public duties.

After full discussion the amendment was rejected.

My position was highly commended by the public press and by many distinguished soldiers, including Governor Foraker, who wrote me, saying: "It may be some gratification to you to know that your course, in regard to the pension bill, meets with the earnest approval of all right-minded men in this part of the state."

On the 3rd of July the following resolution was adopted by the Senate on my motion:

"*Resolved*, That the Senate will meet at the usual hour on Friday, the 4th day of July instant, and, after the reading of the journal and before other business is done, the secretary of the Senate shall read the Declaration of American Independence."

On introducing the resolution, I said:

"Never till during our Civil War, so far as the records show or as is known or is recollected, did Congress meet on the 4th of July. During the Civil War we did meet habitually on the 4th of July, but it was only on the ground that those who had control then believed that the business then

requiring attention was proper to be done on the 4th of July. We have only met once since on the 4th of July, and that was in 1870, at a time of great political excitement. An effort was made to adjourn when the Senate met that day, but the session was continued—a long, exciting, and unpleasant session—on the 4th of July, 1870.

"I do not doubt that to-morrow it will be well to sit, because the committees of conference are carrying on their business and I have no objection to sitting; but I think we ought to recognize, by common consent, the importance of the day and the fact that it is a national anniversary celebrated all over the United States, by reading that immortal paper which is the foundation of American independence."

Congress adjourned July 7, 1884.

CHAPTER XLVII.

My Participation in the Campaign of 1884.

Again Talked of as a Republican Candidate for the Presidency — I Have no Desire for the Nomination — Blaine the Natural Candidate of the Party — My Belief that Arthur Would Be Defeated if Nominated — Speech at Washington, D. C., for Blaine and Logan — Opening of the Ohio Campaign at Ashland — Success of the Republican State Ticket in October — Speeches in Boston, Springfield, Mass., New York and Brooklyn — Address to Business Men in Faneuil Hall — Success of the National Democratic Ticket — Arthur's Annual Message to Congress — Secretary McCulloch's Recommendations Concerning the Further Coinage of Silver Dollars — Statement of My Views at This Time — Statue to the Memory of General Lafayette — Controversy Between General Sherman and Jefferson Davis.

ON the 3rd of June, 1884, during the session of Congress, the national Republican convention to nominate Republican candidates for President and Vice President, was held at Chicago. Prior to that time the papers had been full of the merits and demerits of candidates, and my name was mentioned among them. I had early announced, in interviews and letters, that I was not a candidate. The following statement was generally published in Ohio.

"I am in no sense a candidate, and would not make an effort for the nomination. I would not even express my opinion as to who should be delegates from my own district or what their action should be. Four years ago I thought it best to be a candidate. I believed that the logic of events at that time justified such action. The reasons I need not state. Now there is no such condition and I would not enter a contest even for the indorsement of my own constituency. Many of my friends write me complaining letters because I refuse to make such an issue. Believing that the convention, when it meets, should be free, uninstructed, and in shape to do the very best thing for the whole party, I have counseled my friends to that end. A united and enthusiastic party is more important than one man, and hence I am for bending every energy to the first purpose, and am not a candidate."

I had not expressed the slightest desire to make such a contest. When approached by personal friends I dissuaded them from using my name as a candidate. I neither asked nor sought anyone to be a delegate. When the convention met, the Ohio delegation was divided between Blaine and myself, and this necessarily prevented any considerable support of me outside of the state. I was not sorry for it. I regarded the nomination of Blaine as the natural result under the circumstances.

The strength of Arthur, his principal competitor, grew out of his power and patronage as President. He was a gentleman of pleasing manners, but I thought unequal to the great office he held. He had never been distinguished in political life. The only office he had held of any importance was that of collector of the port of New York, from which he was removed for good causes already stated. His nomination as Vice President was the whim of Roscoe Conkling to strike at President Hayes. If nominated he would surely have been defeated. In the then condition of political affairs it is not certain that any Republican would have been elected.

The weakness of the nomination of Blaine was the strong opposition to him in the State of New York. The selection by the Democratic convention of Grover Cleveland as the candidate for President, and of Thomas A. Hendricks for Vice President, was made in view of the necessity of carrying the two doubtful States of New York and Indiana, which it was well understood would determine the election.

I promptly took an active part in support of the Republican ticket. A meeting to ratify the nomination of James G. Blaine and John A. Logan was held at Washington, D. C., on the 19th of June, at which I made a speech, which, as reported, was as follows:

"It is one of the curious customs of American politics that when anybody is nominated for office, his competitors are the first to be called upon to vouch for the wisdom of the choice. Perhaps that is the reason I am called upon now. Though I did not consider myself much of a candidate, I am ready to accept, approve and ratify the action of the Chicago convention. I will support the nomination of Blaine and Logan as heartily as I have done

those of Fremont and Lincoln and Grant and Hayes and Garfield. And this I would do, fellow-citizens, even if they were less worthy than I know them to be of the distinguished honor proposed for them. I would do it for my own honor. I have no patience with any man who, for himself or any other person, would take his chances for success in a political convention, and when disappointed would seek to thwart the action of the convention. Political conventions are indispensable in a republican government, for it is only by such agencies, that opposing theories can be brought to the popular judgment. These can only be presented by candidates chosen as standard bearers of a flag, or a cause, or a party.

"That Blaine and Logan have been fairly nominated by the free choice of our 800 delegates, representing the Republicans of every state, county and district in the broad extent of our great country, is admitted by every man whose voice has been heard. They are not 'dark horses.' Their names are known to fame; the evil and good that men could say of them have been said with a license that is a shame to free discussion. Traveling in peace and in war through the memorable events of a quarter of a century, they have kept their place in the busy jostling of political life well in the foreground. And now they have been selected from among millions of their countrymen to represent — not themselves, but the Republican party of the United States.

"They represent the American Union, one and indivisible, snatched by war from the perils of secession and disunion. They represent a strong national government, able, I trust, in time, not only to protect our citizens from foreign tyranny, but from local cruelty, intolerance, and oppression.

"They represent that party in the country which would scorn to obtain or hold power by depriving, by crime and fraud, more than a million of men of their equal rights as citizens. They represent a party that would give to the laboring men of our country the protection of our revenue laws against undue competition with foreign labor.

"They represent the power, the achievements, and the aspirations of the Republican party that now for twenty-four years has been greatly trusted by the people, and in return has greatly advanced your country in strength and wealth, intelligence, courage and hope, and in the respect and wonder of mankind.

"Fellow Republicans, we are about to enter into no holiday contest. You have to meet the same forces and principles that opposed the Union army in war; that opposed the abolition of slavery; that sought to impair the public credit; that resisted the resumption of specie payment. They are recruited here and there by a deserter from our ranks, but meanwhile a generation of younger men are coming to the front, in the south as well as in the north. They have been educated amidst memorable events with patriotic ardor, love of country, pride in its strength and power. They are now determined to overthrow the narrow Bourbon sectionalism of the Democratic party. They live in the mountains and plains of the west. They

breathe the fresh air of Virginia, North Carolina and Tennessee. They are the hardy, liberty-loving laborers of every state.

"They come from the fatherland, they come from old Ireland. They are the active spirits, native and naturalized, of a generation of free men who never felt the incubus of slavery, and who wish only as Americans to make stronger and plant deeper the principles of the Republican party. It is to these men we who have grown old in this conflict wish now to hand over the banner we have borne. Let them take it and advance it to higher honors. Let them spread the influence of our republican institutions north and south, until the whole continent of America shall be a brotherhood of republics.

"Let them assert the rights of American citizenship, so that they will be respected as were the rights of citizens of the Roman republic. Let them deal with this most difficult and subtle problem of social politics so as to secure to the man who labors his just share of the fruits of his labor. Let them improve even upon the protective policy we have pursued, so as to diversify our industries and plant in all parts of our country the workshops of millions of well-paid contented citizens. Let them do what we have not been able to do since the war — restore our commerce to every port and protect it under our flag in every sea.

"My countrymen, I regret to say it, you cannot accomplish any of these great objects of national desire through the agency of the Democratic party. It cannot be made an instrument of progress and reform. Its traditions, its history for twenty-five years, and its composition, forbid it. You may punish us for our shortcomings by its success, but you will punish yourselves as well and stay the progress of your country. A party that with seventy majority in the House cannot pass a bill on any subject of party politics, great or small, is not fit to govern the country.

"Every advance, every reform, every improvement, the protection of your labor, the building of your navy, the assertion of your rights as a free man, the maintenance of good money — a good dollar, good in every land, worth a dollar in gold — all these objects of desire must await the movements of the Republican party. It may be slow, but if you turn to the Democratic party you will always find it watching and waiting, good, steady citizens of the olden time, grounded on the resolutions of '98 and the 'times before the wah.'

"It is said that Blaine is bold and aggressive; that he will obstruct the business interests of the country. I would like to try such a President. He might shake off some of the cobwebs of diplomacy and invite the attention of mankind to the existence of this country. There will always be conservatism enough in Congress, and inertness enough in the Democratic party, to hold in check even as brilliant a man as James G. Blaine. What we want now is an American policy broad enough to embrace the continent, conservative enough to protect the rights of every man, poor as well as rich, and brave enough to do what is right, whatever stands in the way. We

want protection to American citizens and protection to American laborers, a free vote and a fair count, an assertion of all the powers of the government in doing what is right. It is because I believe that the administration of Blaine and Logan will give us such a policy, and that I know the Democratic party is not capable of it, that I invoke your aid and promise you mine to secure the election of the Republican ticket."

Upon the adjournment of Congress, I took an active part in the campaign, commencing with a speech at Ashland, Ohio, on the 30th of August, and from that time until the close of the canvass I spoke daily. The meetings of both parties were largely attended, notably those at Springfield, Cincinnati, Columbus, and Cleveland.

After the October election in Ohio, which resulted in the success of the Republican ticket, I engaged in the canvass in other states, speaking in many places, among others in Faneuil Hall, Boston, in Springfield, Massachusetts, in Chickering Hall, New York, and in the Brooklyn Grand Opera House.

I felt greater timidity in speaking in Faneuil Hall than anywhere else. The time, place, and manner of the meeting were so novel, that a strong impression was made upon my mind. In the middle of the day, when the streets were crowded, I was conducted up a narrow, spiral passageway that led directly to a low platform on one side of the hall, where were the officers of the meeting, and there I faced an audience of men with their hats and overcoats on, all standing closely packed, with no room for any more. It was a meeting of business men of marked intelligence, who had no time to waste, and whose countenances expressed the demand, "Say what you have to say, and say it quickly." I was deeply impressed with the historical associations of the place, recalling the Revolutionary scenes that had occurred there, and Daniel Webster and the great men whose voices had been heard within its walls. I condensed my speech into less than an hour, and, I believe, gave the assemblage satisfaction. I was followed by brief addresses from Theodore Roosevelt and others, and then the meeting quietly dispersed.

While in Springfield, I heard of the unfortunate remark of Dr. Burchard to Blaine about "Rum, Romanism and Rebellion,"

and felt that the effect would be to offend a considerable portion of the Irish voters, who had been very friendly to Blaine. After that incident, I met Mr. Blaine at the Chickering Hall meeting, and went with him to Brooklyn, where we spoke together at the Academy of Music.

The election, a few days afterward, resulted in the success of the Democratic ticket. The electoral vote of New York was cast for Cleveland and Hendricks. It was believed at the time that this result was produced by fraudulent voting in New York city, but the returns were formal, and there was no way in which the election could be contested.

Congress met on the 1st of December, 1884. President Arthur promptly sent his message to each House. He congratulated the country upon the quiet acquiescence in the result of an election when it had been determined by a slight preponderance. Our relations with foreign nations had been friendly and cordial. The revenues of the government for the fiscal year ending June 30, 1884, had been $348,519,869.92. The expenditures for the same period, including the sinking fund, were $290,916,473.83, leaving a surplus of $57,603,396.09. He recommended the immediate suspension of the coinage of silver dollars and of the issuance of silver certificates, a further reduction of internal taxes and customs duties, and that national banks be allowed to issue circulating notes to the par amount of bonds deposited for their security. He closed with these words:

"As the time draws nigh when I am to retire from the public service, I cannot refrain from expressing to the Members of the national legislature, with whom I have been brought into personal and official intercourse, my sincere appreciation of their unfailing courtesy, and of their harmonious coöperation with the Executive in so many measures calculated to promote the best interests of the nation.

"And to my fellow-citizens generally, I acknowledge a deep sense of obligation for the support which they have accorded me in my administration of the executive department of this government."

Hugh McCulloch, upon the death of Mr. Folger, had become Secretary of the Treasury. His report contained the usual statements in regard to government receipts and expenditures

and the public debt, but the chief subject discussed was the coinage of silver dollars. He said:

"There are some financial dangers ahead which can only be avoided by changes in our financial legislation. The most imminent of these dangers, and the only one to which I now ask the attention of Congress, arises from the continued coinage of silver and the increasing representation of it by silver certificates. I believe that the world is not in a condition, and never will be, for the demonetization of one-third of its metallic money; that both gold and silver are absolutely necessary for a circulating medium; and that neither can be disused without materially increasing the burden of debt, nor even temporarily degraded by artificial means without injurious effect upon home and international trade. But I also believe that gold and silver can only be made to maintain their comparative value by the joint action of commercial nations. Not only is there now no joint action taken by these nations to place and keep silver on an equality with gold, according to existing standards, but it has been by the treatment it has received from European nations greatly lessened in commercial value.

* * * * * * * * *

"After giving the subject careful consideration, I have been forced to the conclusion that unless both the coinage of silver dollars and the issue of silver certificates are suspended, there is danger that silver, and not gold, may become our metallic standard. This danger may not be imminent, but it is of so serious a character that there ought not to be delay in providing against it. Not only would the national credit be seriously impaired if the government should be under the necessity of using silver dollars or certificates in payment of gold obligations, but business of all kinds would be greatly disturbed; not only so, but gold would at once cease to be a circulating medium, and severe contraction would be the result."

The first important subject considered by the Senate was the coinage of silver dollars and the consequent issue of silver certificates. The debate was founded upon a resolution offered by Senator Hill, of Colorado, against the views expressed by the President in his message and by Secretary McCulloch in his report.

On the 15th of December I made a speech covering, as I thought, the silver question, not only of the past but of the probable results in the future. The amount of silver dollars then in the treasury was $184,730,829, and of silver certificates outstanding $131,556,531. These certificates were maintained at par in gold by being received for customs duties. They

were redeemable in silver dollars, but were in fact never presented for redemption. The silver dollars could only be used in redemption of certificates or by issue in payment of current liabilities. With the utmost exertions to put the silver dollars in circulation only fifty million could be used in this way. To have forced more into circulation would have excited a doubt whether any of our paper money could be maintained at par with gold.

When urged to express a remedy for this condition I said that if I had the power to dictate a law I would ascertain by the best means the exact market value of the two metals, and then put into each silver dollar as many grains of standard silver as would be equal in market value to 25.8 grains of standard gold. It was said that the relative price of gold and silver would vary. I said that if the price of silver fell the coin would still circulate upon the fiat of the government. If silver advanced in relative value the amount of silver in the coin could, at stated periods, be decreased. Bimetallism could only exist where the market value of the two metals approached the coinage value, or where a strong government, with a good credit, received and paid out coins of each metal at parity with each other. The only way to prevent a variation in the value of the two metals, and the exportation of the dearer metal, would be, by an international agreement between commercial nations, to adopt a common ratio somewhat similar in substance to that of the Latin Union, each nation to receive as current money the coins of the other and each to redeem its own coins in gold.

Mr. Beck replied to my argument, and the debate between us continued during two or three days. The weakness of the silver advocates was that they were not content with the coinage of more silver coin than ever before, but were determined that the holder of silver in any form might deposit it in the mint and have it coined into dollars for his benefit at the ratio of sixteen to one, when its market value had then fallen so that twenty ounces of silver were worth but one ounce in gold, and since has fallen in value so that thirty ounces of silver are worth but one ounce in gold.

With free coinage in these conditions no gold coins would be minted and all the money of the United States would be reduced in value to the sole silver standard, and gold would be hoarded and exported. This debate has been continued from that date to this, not only in Congress, but in every schoolhouse in the United States, and in all the commercial nations of the world. I shall have occasion hereafter to recur to it.

On the 18th of December I reported, from the joint committee on the library, an amendment to an appropriation bill providing for the construction of a statue to the memory of General Lafayette, in the following words:

"That the president *pro tempore* of the Senate and the speaker of the House of Representatives do appoint a joint committee of three Senators and three Representatives, with authority to contract for and erect a statue to the memory of General Lafayette and his compatriots; and said statue shall be placed in a suitable public reservation in the city of Washington, to be designated by said joint committee."

The amendment was agreed to by both Houses. The result was the erection, on the southeast corner of Lafayette Square in Washington, of the most beautiful and artistic bronze monument in that city.

A somewhat sharp and combative controversy had taken place in the newspapers between General Sherman and Jefferson Davis, in regard to the position of the latter on the rights of the Confederate states in the spring of 1865. General Sherman, in a letter to me dated December 4, 1884, published in the "Sherman Letters," narrated his remarks at a meeting of the Frank Blair Post, G. A. R., No. 1, in St. Louis, in which he said that he had noticed the tendency to gloss over old names and facts by speaking of the Rebellion as a war of secession, while in fact it was a conspiracy up to the firing on Fort Sumter, and a rebellion afterwards. He described the conspiracy between Slidell, Benjamin and Davis, and the seizure of the United States arsenal at Baton Rouge, and other acts of war, and then said:

"I had seen a letter of Mr. Davis showing that he was not sincere in his doctrine of secession, for when some of the states of the Confederacy, in 1865, talked of 'a separate state action,' another name for 'secession,' he

stated that he, as president of the Confederacy, would resist it, even if he had to turn Lee's army against it. I did see such a letter, or its copy, in a captured letter book at Raleigh, just about as the war was closing."

Davis called for the production of the identical letter. General Sherman said he could not enter into a statement of the controversy, but he believed the truth of his statement could be established, and that he would collect evidence to make good his statement. I replied to his letter as follows:

UNITED STATES SENATE,
WASHINGTON, D. C., December 10, 1884.

DEAR BROTHER: — . . . I can see how naturally you spoke of Jeff. Davis as you did, and you did not say a word more than he deserved. Still, he scarcely deserves to be brought into notice. He was not only a conspirator, but a traitor. His reply was a specimen of impotent rage. It is scarcely worth your notice, nor should you dignify it by a direct rejoinder. A clear, strong statement of the historical facts that justified the use of the word 'conspirator,' which you know very well how to write, is all the notice required. Do not attempt to fortify it by an affidavit, as some papers say you intend to do, but your statement of the letters seen by you, and the historical facts known by you, are enough. I have had occasion, since your letter was received, to speak to several Senators about the matter, and they all agree with me that you ought to avoid placing the controversy on letters which cannot now be produced. The records have been pretty well sifted by friendly rebels, and under the new administration it is likely their further publication will be edited by men who will gladly shield Davis at the expense of a Union soldier. The letter of Stephens to Johnson is an extraordinary one. Its publication will be a bombshell in the Confederate camp. I will deliver the copy to Colonel Scott to-morrow. One or two paragraphs from it go far to sustain your stated opinion of Jeff. Davis. . . .

Very affectionately yours,
JOHN SHERMAN.

This controversy came before the Senate by a resolution offered by Senator Hawley, calling upon the President to communicate to the Senate an historical statement concerning the public policy of the executive department of the Confederate states during the late War of the Rebellion, reported to have been lately filed in the war department by General William T. Sherman. Upon this resolution a somewhat acrimonious debate occurred, participated in by Senators Harris, Hawley, Vest, George, Ingalls and others. During the debate I felt constrained, on account of my relationship with General Sherman,

to give his version of the controversy between himself and Jefferson Davis.

I disliked the introduction of such a controversy twenty years after the war was over, but still, as the matter was before us, I entered at considerable length into a history of the controversy, and expressed my decided opinion that General Sherman was entirely justified in denouncing Davis and his associates, before the Civil War commenced, as conspirators and traitors. I closed my remarks as follows:

"I am sorry this debate has sprung up. I was in hopes, with the Senator from Connecticut, who introduced the resolution, that these papers would be published, and nothing more would be said about them here, but let the people determine the issue and let this matter go down into history. But, sir, whenever, in my presence, in a public assemblage, Jefferson Davis shall be treated as a patriot, I must enter my solemn protest. Whenever the motives and causes of the war, the beginning and the end of which I have seen, are brought in question, I must stand, as I have always stood, upon the firm conviction that it was a causeless rebellion, made with bad motives, and that all the men who led in that movement were traitors to their country."

Senator Lamar answered my speech with some heat, and closed as follows:

"One other thing. We, of the south, have surrendered upon all the questions which divided the two sides in that controversy. We have given up the right of the people to secede from this Union; we have given up the right of each state to judge for itself of the infractions of the constitution and the mode of redress; we have given up the right to control our own domestic institutions. We fought for all these, and we lost in that controversy; but no man shall, in my presence, call Jefferson Davis a traitor, without my responding with a stern and emphatic denial."

Senator Vest closed the debate in a few remarks, and the subject-matter was displaced by the regular order. While I regretted this debate, I believed that the speeches made by the Republican Senators properly defined the Rebellion as, first, a conspiracy; second, treason; third, a rebellion subdued by force, finally followed by the most generous treatment of those engaged in the Rebellion that is found in the history of mankind.

During this session there was a very full debate upon the subject of regulating interstate commerce, in which I participated. The contest was between what was known as the Reagan bill, which passed the House of Representatives, and the Senate bill. I expressed my opinion that the Senate bill was better than the Reagan bill, and, although much popular favor had been enlisted from time to time in favor of the Reagan bill, because it grappled with and dealt with the railroad corporations, the Senate bill did more; it not only grappled with them, but laid a broad and deep foundation for an admirable system of railroad law, which should govern all the railroads of the country.

CHAPTER XLVIII.

Dedication of the Washington Monument.

Resolution of Senator Morrill Providing for Appropriate Dedicatory Ceremonies—I Am Made Chairman of the Commission—Robert C. Winthrop's Letter Stating His Inability to Attend the Exercises—Letters of Regret from General Grant and John G. Whittier—Unfavorable Weather for the Dedication—My Address as Presiding Officer—The President's Acceptance of the Monument for the Nation—Mr. Winthrop's Address Read in the House by John D. Long—Inauguration of the First Democratic President Since Buchanan's Time—Visit to Cincinnati and Address on the Election Frauds—Respects to the Ohio Legislature—A Trip to the West and Southwest—Address on American Independence.

ON the 13th of May, 1884, the President approved the following joint resolution, introduced by Mr. Morrill, from the committee on public buildings and grounds:

"Whereas, The shaft of the Washington monument is approaching completion, and it is proper that it should be dedicated with appropriate ceremonies, calculated to perpetuate the fame of the illustrious man who was 'first in war, first in peace, and first in the hearts of his countrymen:' Therefore,

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That a commission to consist of five Senators appointed by the president of the Senate, eight Representatives appointed by the speaker of the House of Representatives, three members of the Washington Monument Society, and the United States engineer in charge of the work, be, and the same is hereby, created, with full powers to make arrangements for,

"First. The dedication of the monument to the name and memory of George Washington, by the President of the United States, with appropriate ceremonies.

"Second. A procession from the monument to the capitol, escorted by regular and volunteer corps, the Washington Monument Society, representatives of cities, states, and organizations which have contributed blocks of stone, and such bodies of citizens as may desire to appear.

"Third. An oration in the hall of the House of Representatives, on the twenty-second day of February, *anno Domini* eighteen hundred and eighty-five, by the Honorable Robert C. Winthrop, who delivered the oration at

the laying of the corner stone of the monument in eighteen hundred and forty-eight, with music by the Marine Band.

"'Fourth. Salutes of one hundred guns from the navy yard, the artillery headquarters, and such men-of-war as can be anchored in the Potomac.'"

I was chairman of the commission appointed under this resolution, and, in compliance with it, invited Mr. Winthrop to deliver the oration. He expressed his deep sense of the honor conferred upon him, but had a doubt whether he ought not to decline on account of his failing health. Mr. Morrill and I strongly insisted upon his acceptance and he eventually consented, though not without misgivings which were unhappily justified.

A short time before the day appointed for the dedication I received from him the following autograph letter, which is interesting, not only on account of the eminence of its author, but of the important event about to be celebrated:

90 Marlborough Street, Boston, February 13, 1885.

Hon. John Sherman, Chairman, etc.

Dear Senator Sherman:— It is with deep regret that I find myself compelled to abandon all further hope of being at the dedication of the Washington monument on the 21st instant. I have been looking forward to the possibility of being able to run on at the last moment, and to pronounce a few sentences of my oration before handing it to Governor Long, who has so kindly consented to read it. But my recovery from dangerous illness has been slower than I anticipated, and my physician concurs with my family in forbidding me from any attempt to leave home at present.

I need not assure the commissioners how great a disappointment it is to me to be deprived of the privilege of being present on this most interesting occasion. I am sure of their sympathy without asking for it.

Please present my respectful apologies to your associates, and believe me. With great regard, very faithfully yours,

Robt. C. Winthrop.

P. S.— This is the first letter I have attempted to write with my own pen since my illness.

Among the numerous regrets received by the commission was the following:

Oak Knoll, Danvers, Mass., Second Month 8, 1885.

Hon. John Sherman, Chairman of Committee.

Dear Friend:—The state of my health will scarcely permit me to avail myself of the invitation of the commission to attend the ceremonies of the dedication of the Washington monument.

Oak Knoll Danvers Mass
2nd Mo 8. 1881

To Hon. John Sherman
Chairman of Com.

Dear Friend.

The state of my health will scarcely permit me to avail myself of the invitation of the Commission to attend the ceremonies of the dedication of the Washington Monument In common with my fellow citizens I rejoice at the successful completion of this majestic testimonial of the reverence and affection of the people of the United States, irrespective of party, section or race. cherish for the Father of his Country. Grand however, and imposing as that testimonial may seem it is, after all but an inadequate outward representation of that mightier Monument, unseen and immeasurable, builded of the living stones of a nations love and gratitude, the hearts of forty millions of people But the world has not outlived its need of picture-writing and symbolism, and the great object-lesson of the Washington Monument will doubtless prove a large factor in the moral and political education of present and future generations. Let us hope that it will be a warning as well as a

benedictem. and, that
while its sun-lit attitude
may fitly symbolize the
truth that "Righteousness
exalteth a nation" its shadow
falling on the dome of the
Capitol may be a daily
reminder that "Sin is a
reproach to any people."
Surely it will not have
been reared in vain if,
on the day of its dedication
its mighty shaft shall
serve to light heavenward,
the vow of a united people
that the principles for which
the fathers toiled and suffered
shall be maintained inviolate
by their children. With sincere
respect I am thy friend
John G. Whittier

In common with my fellow-citizens I rejoice at the successful completion of this majestic testimonial of the reverence and affection which the people of the United States, irrespective of party, section, or race, cherish for the 'Father of his Country.' Grand, however, and imposing as that testimonial may seem, it is, after all, but an inadequate outward representation of that mightier monument, unseen and immeasurable, builded of the living stones of a nation's love and gratitude, the hearts of forty millions of people. But the world has not outlived its need of picture writing and symbolism, and the great object lesson of the Washington monument will doubtless prove a large factor in the moral and political education of present and future generations. Let us hope that it will be a warning as well as a benediction; and that while its sunlit altitude may fitly symbolize the truth that 'righteousness exalteth a nation,' its shadow falling on the dome of the capitol may be a daily reminder that 'sin is a reproach to any people.' Surely it will not have been reared in vain if, on the day of its dedication, its mighty shaft shall serve to lift heavenward the voice of a united people that the principles for which the fathers toiled and suffered shall be maintained inviolate by their children.

With sincere respect, I am thy friend. JOHN G. WHITTIER.

Another letter, received about two weeks earlier from General Grant, seems to me worthy of a reproduction. It is as follows:

NEW YORK CITY, January 27, 1885.

HON. JOHN SHERMAN.

DEAR SIR:—I regret very much that my physical condition prevents my accepting the invitation of the commissioners, appointed by Congress to provide suitable ceremonies for the dedication of the Washington monument, to be present to witness the same on the 21st of February next. My throat still requires the attention of the physician daily, though I am encouraged to believe that it is improving. Very respectfully yours,

U. S. GRANT.

An engraved card of invitation was sent to a great number of civil and military organizations throughout the United States, the regents of Mount Vernon, relatives of General Washington and other distinguished persons.

The commission invited Lieutenant General Sheridan to act as marshal of the day, with an aid-de-camp from each state and territory. This invitation was accepted, and arrangements were made for a procession from the monument to the capitol and proceedings there after the dedication by the President.

The joint resolution prescribed that the monument be dedicated "to the name and memory of George Washington, by the President of the United States, with appropriate ceremonies" on the 22nd of February. The day selected was among the coldest of the year. The ground was covered with snow and a high keen wind was blowing. I was directed to preside over the proceedings at the base of the monument, and in the performance of this duty made the following address:

"The commission authorized by the two Houses of Congress to provide suitable ceremonies for the dedication of the Washington monument, direct me to preside and announce the order of ceremonies deemed proper on this occasion.

"I need not say anything to impress upon you the dignity of the event you have met to celebrate. The monument speaks for itself—simple in form, admirable in proportions, composed of enduring marble and granite, resting upon foundations broad and deep, it rises into the skies higher than any work of human art. It is the most imposing, costly and appropriate monument ever erected in the honor of one man.

"It had its origin in the profound conviction of the people, irrespective of party, creed or race, not only of this country, but of all civilized countries, that the name and fame of Washington should be perpetuated by the most imposing testimonial of a nation's gratitude to its hero, statesman and father. This universal sentiment took form in a movement of private citizens, associated under the name of the Washington National Monument Association, who, on the 31st day of January, 1848, secured, from Congress, an act authorizing them to erect the proposed monument on this ground, selected, as the most appropriate site, by the President of the United States. Its corner stone was laid on the 4th day of July, 1848, by the Masonic fraternity, with imposing ceremonies, in the presence of the chief officer of the government and a multitude of citizens. It was partially erected by the National Monument Association, with means furnished by the voluntary contributions of the people of the United States.

"On the 5th day of July, 1876, one hundred years after the declaration of American Independence, Congress, in the name of the people of the United States, formally assumed and directed the completion of the monument. Since then the foundation has been strengthened, the shaft has been steadily advanced, and the now completed structure stands before you.

"It is a fit memorial of the greatest character in human history. It looks down upon scenes most loved by him on earth, the most conspicuous object in a landscape full of objects deeply interesting to the American people. All eyes turn to it, and all hearts feel the inspiration of its beauty, symmetry and grandeur. Strong as it is, it will not endure so long as the

New York City,
January 27th 1885.

Honorable John Sherman,
Chairman &c.

Dear Sir: I regret very much that my physical condition prevents my accepting the invitation of the Commissioners appointed by Congress to provide suitable ceremonies for the dedication of the Washington Monument, to be present to witness the same, on the 21st of February next. My throat still requires the attention of the physician, daily, though I am encouraged to believe that it is improving.

Very respectfully Yours

U. S. Grant

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memory of him in whose honor it was built, but while it stands it will be the evidence to many succeeding generations of the love and reverence of this generation for the name and fame of George Washington, 'first in war, first in peace, and first in the hearts of his countrymen'— more even than this, the prototype of purity, manhood and patriotism for all lands and for all time. Without further preface, I proceed to discharge the duty assigned me."

After prayer by the Rev. Henderson Suter, Dr. James C. Welling read an address which had been prepared by W. W. Corcoran, first vice president of the Washington National Monument Society, giving a detailed history of the structure in its various stages. Washington having been a Freemason, appropriate Masonic ceremonies were performed, the address being delivered by Grand Master Myron M. Parker. Colonel Thomas L. Casey, of the engineer corps, United States army, the chief engineer and architect of the monument, then formally delivered the structure to the President of the United States, in an address describing the work done by him on it. President Arthur received the monument with the following well-chosen words:

"FELLOW-COUNTRYMEN:—Before the dawn of the century whose eventful years will soon have faded into the past, when death had but lately robbed this republic of its most beloved and illustrious citizen, the Congress of the United States pledged the faith of the nation that in this city, bearing his honored name, and then, as now, the seat of the general government, a monument should be erected 'to commemorate the great events of his military and political life.'

"The stately column that stretches heavenward from the plain whereon we stand bears witness to all who behold it that the covenant which our fathers made, their children have fulfilled.

"In the completion of this great work of patriotic endeavor there is abundant cause for national rejoicing; for while this structure shall endure it shall be to all mankind a steadfast token of the affectionate and reverent regard in which this people continue to hold the memory of Washington. Well may he ever keep the foremost place in the hearts of his countrymen.

"The faith that never faltered, the wisdom that was broader and deeper than any learning taught in schools, the courage that shrank from no peril and was dismayed by no defeat, the loyalty that kept all selfish purpose subordinate to the demands of patriotism and honor, the sagacity that displayed itself in camp and cabinet alike, and, above all, that harmonious union of

moral and intellectual qualities which has never found its parallel among men; these are the attributes of character which the intelligent thought of this century ascribes to the grandest figure of the last.

"But other and more eloquent lips than mine will to-day rehearse to you the story of his noble life and its glorious achievements.

"To myself has been assigned a simpler and more formal duty, in fulfillment of which I do now, as President of the United States, and in behalf of the people, receive this monument from the hands of its builder, and declare it dedicated from this time forth to the immortal name and memory of George Washington."

The exercises at the monument concluded. General Sheridan and his aids formed the procession, consisting of regular and state troops, the Masonic fraternity, Grand Army posts, and other organizations, with the invited guests, in carriages, and proceeded to the capitol, while the cannon at the navy yard, at the artillery headquarters and at Fort Meyer fired minute guns.

As previously arranged, the address of Mr. Winthrop, which has ever since been regarded as equal to the occasion, was read by John D. Long, in the hall of the House of Representatives, before a most distinguished audience, embracing all the principal officers of the government and the invited guests. John W. Daniel, of Virginia, also delivered an eloquent oration.

Thus this Congress celebrated the completion of monuments in enduring form to two of the greatest men in American history—Washington and Marshall.

The Congress expired by limitation March 4, 1885.

On the same day, there was inaugurated the first Democratic President of the United States since the time of James Buchanan. The election of Cleveland, though not disputed, turned upon a very narrow majority in New York, and the practical exclusion of the majority of the legal voters in several of the southern states. This naturally led to the inquiry, "What will you do about it?" My answer was that we must quietly acquiesce in the result of the official returns and give to Mr. Cleveland such fair treatment as we asked for Hayes. I said that we should confirm his appointments made in pursuance of the law and custom. I was a member of the committee that

THE COMMISSION appointed under the Joint Resolution of Congress approved May 15th 1864 in relation to ceremonies to be authorized at the dedication of the

WASHINGTON MONUMENT

requests the pleasure of your attendance at these ceremonies to be held in the City of Washington, D.C. on February 21st 1885

By Order of the Commission

FAC SIMILE OF INVITATION TO CEREMONIES ON THE COMPLETION OF THE WASHINGTON MONUMENT.

conducted him to the stand where he was inaugurated. I heard his inaugural address, carefully studied it, and felt sure that if he faithfully observed the policy he defined, the bitterness of party strife would be greatly diminished. He carefully avoided contested questions of public policy, and especially omitted all reference to the substantial overthrow of the political rights of a majority of the legal voters in many of the southern states, by which alone he was elected.

The usual call for an executive session at the close of a presidential term was issued by President Arthur, and the Senate met on the 4th of March, Vice President Hendricks presiding. But little business of general interest was done during that session except action on presidential appointments, few in number, which were confirmed without objection. The Senate adjourned on the 2nd of April.

Soon after I went to Mansfield, and, on the 12th of April, to Cincinnati, to witness the inauguration of my friend, Amor Smith, Jr., as mayor of that city. He had fought and overcome the grossest frauds that had been or could be committed by penitentiary convicts. A crowd gathered around his residence, which, with those of his neighbors, was brilliantly illuminated. The Blaine club, headed by a band and followed by many citizens, filled his yard. His house was full of his personal friends. After music by the band, Miller Outcalt, president of the club, escorted Mr. Smith to the piazza and introduced him to the citizens. His speech was modest and appropriate, but he took care to denounce, in fitting language, the open and reckless frauds practiced by his enemies to defeat him, and promised that while he was mayor no such frauds should be committed.

I was introduced to the crowd, and, after rendering my thanks and congratulations and my appeal to the young men of the club, said:

"I think the foulest crime in the decalogue of crime, worse than any named in the Ten Commandments of the Mosaic law, lower far than stealing, worse than burglary, as bad as murder, is the crime that has been perpetrated here in your city openly, in the face of day, trying to break down the elective franchise and rob the people of their right to govern themselves.

I might forgive a man who would steal because he was in need of bread; he might commit other crimes because of some reason, but a man who seeks to rob his neighbors of their right to govern themselves, and practices the tricks of the wily electioneerer to deprive the people of this right, commits a meaner crime than any that can be named in the list of crime.

"I am told that dozens—aye, hundreds—of men have gone to the polls and there voted over and over again; that they have given false names, and sometimes, in the presence of the very guardians of the public peace, they have openly violated the law. I say that worse men cannot be found than those who do this, or those viler creatures who protect them in doing it or justify them in their acts. Every power of the nation should be utilized to punish them with the penitentiary; they ought to be made to wear the stripes of the convict."

Foraker followed with an eloquent speech, which greatly pleased the audience, and after much hand-shaking the crowd gradually dispersed.

My remarks about frauds at elections did not please the "Enquirer." While strongly censuring me for violence in language it did not try to controvert what I said. I have always entertained the opinion that frauds in elections are more dangerous crimes than cheating, theft and robbery, because they are committed against the whole people and sap and undermine republican institutions. I have always denounced them, or anything approaching them, when committed by friend or foe.

From Cincinnati I went to Columbus to pay my respects to the Ohio legislature, about to adjourn. A majority of both houses was Democratic. They convened in the hall of the house of representatives, where I addressed them. I thanked them for their courtesy, which was the more gracious because it came from gentlemen who did not agree with me in political opinion. I told them I was pleased to see that in Ohio and elsewhere the interests of our country and our state were regarded of vastly more importance than the factious quarrels of bitter partisans, which feeling I was glad to say I had always encouraged. I alluded to my having served in the Senate of the United States with colleagues representing different political opinions from myself, including Allen G. Thurman, George H. Pendelton and, at that time, Henry B. Payne, and to the fact that whenever the interests of the people of Ohio were concerned our political differences disappeared and

we were shoulder to shoulder as friends. I said I thought this spirit ought to be observed by the representatives of the people of Ohio and of the United States, that whenever the interests of the people were under consideration party spirit should sink into insignificance.

After hand-shaking all around I returned to my hotel. In the evening I was invited to attend the board of trade, and, being kindly introduced by President Miles, I, as usual, was called upon for a speech. I first alluded to the remarkable growth of Columbus to which the members of the board had contributed, and then discussed briefly the silver question, about which they also felt an interest. I then exploited into electricity, as follows:

"Gentlemen, you will be called upon hereafter to deal with forces yet undiscovered. The developments of science have brought to your aid things as mysterious as life, which no mind can penetrate. You are now called upon to use electricity as a motive power and as light. You must develop these secrets of nature, and you will have no more fear of the exhaustion of gold, for these new powers will contribute to the wealth and power of this country. The business men must carry out these, and so I say, as I said in Cincinnati, that if business men would carry their honest methods into government, would see that the agents of their political life were honest and pure, then the scale and grade of our politics would rise higher and higher. We have had advancement under these principles in everything except government of the country. What we want is honest government by honest men. The United States will then be looked on no longer as an experiment, but it will become the greatest of the great governments since Adam was created.

"If I can induce the young men, who have contributed so much to the growth of this city, to see to this—if you will do this much to promote honest government and honest methods, we wont care whether you call yourself Democrat or Republican."

I closed with thanks for the honor done me. I was also invited to visit the city council, and as soon as the reception in the board of trade was over I accompanied a committee to the council chamber, where I was again called upon for a speech.

Mr. Taylor, the president of the council, by a slip of the tongue, introduced me as "Senator Thurman." I said:

"I see that our friend, your president, mixes me up with Judge Thurman on account of the fact that our names sound very much alike. I consider such a mistake the highest compliment that could be paid me; for the

great ability, intense sagacity and entire purity of your distinguished fellow-citizen, in the highest offices of the land, have placed him, in my estimation, in the first rank of able and noble men. I like to have my name called Thurman. It is my opinion that the duties of city officers are of the very highest importance. The most serious embarrassments of this or any other country lie with the municipal governments. National government is clearly defined. The government of the State of Ohio ought to present no difficulties when administered by fair men of business habits. But the eyes of the people are upon the difficulties of municipal government. The scenes that occurred in Paris, in London, in New York, and, to come nearer home, the scenes that occurred in Cincinnati, all show the importance of good city government. I say to you, although a Member of the Senate of the United States, that the real difficulties of our government are no more serious than the problems of city management and government. When Rome became the scene of wrongs, crimes, and usurpation, the republic crumbled. If ever this government be in danger, it will be because of the misgovernment of our cities."

In the early part of April, 1885, I arranged for a trip via Chicago, Des Moines, St. Louis, Texas and California, thence along the Pacific coast to Tacoma and Seattle, and thence by the Northern Pacific railroad to St. Paul, and home again. The party was composed of Henry C. Hedges, George F. Carpenter, both citizens of Mansfield, my nephew Frank Sherman, of Des Moines, and myself. It was arranged that we were to meet in St. Louis. In the meantime I proceeded to Des Moines, where I met my brother, Hoyt, and his son, Frank. Here I met a reporter of the "Register" published in that city. He said in his report that I seemed to feel happy at the prospect that for two months at least I was going to be free from public cares, and that I acted like a man who had absolutely thrown worry aside for the time being. I told him my business was purely of a private character, and that I had dismissed all politics from my mind. I declined to answer his questions about Mr. Cleveland. He made out of small materials an interview which answered his purpose. He asked my view of the silver question. I told him I hoped to see the people abandon the idea, which prevailed a few years previous, of having silver money of less value than gold. We had gone through a struggle of some years to make our paper money equal to gold, and the next struggle ought to be to do the same with silver money.

I said we should have all kinds of money of equal value whether United States notes, bank bills, silver or gold; that if we had this our silver would circulate in all parts of the world the same as our gold, that we could use both silver and gold as the basis of our certificates, which would then be regarded as money by every commercial nation of the world. I said I was in favor of both silver and gold, and of using both to be coined upon the basis of market value, that in this way the volume of money would be increased instead of being diminished, and our money would become the standard money of the world. In his report he said that I spoke very feelingly of General Grant, expressing a hope for his recovery, but that I feared his apparent improvement was only characteristic of the disease and not substantial.

I was surprised as well as gratified at the rapid growth of Des Moines, which I first knew as an insignificant village. From Des Moines Frank Sherman and I went to St. Louis, and there met Messrs. Hedges and Carpenter. During the two or three days we remained in St. Louis I stayed at the house of General Sherman, who then resided in that city. He took great interest in my proposed trip, and one evening wrote out, without change or erasure of a single word, on three pages of foolscap, and under the head of "Memorandum for John Sherman," a complete and detailed statement of the route I was to follow, and the names of the cities and places I was to visit, including the persons whom I ought to see, to several of whom he gave me letters of introduction. I have regarded this "memorandum," which we found accurate in every particular, as a striking evidence of his mastery of details. We followed the route with scarcely a change. Among the letters given me by him was one to his friend, F. F. Low, as follows:

St. Louis, Mo., May 3, 1885.

Hon. F. F. Low, Anglo California Bank.

Dear Sir:—My brother John, the Senator, is on the point of starting for San Francisco via the southern route and intends to come back by the north. He will be in your city some days, and I am anxious you should become acquainted, also that he should meet your wife and daughter.

If you are with the Pacific club please introduce him to some of the old set Hoffman, Tevis, Haggin, Rowie, etc., etc. Nearly all my old banking

friends have passed away, but I am sure he would be pleased to meet Alvord and Brown, of the Bank of California, and also Flood, of the Nevada Bank.

Truly your friend, W. T. SHERMAN.

While in St. Louis, the "Evening Chronicle," of May 1, published quite a long interview with me. General Sherman, during this interview, sat somewhat aside, now and then putting in an emphatic assent or suggestion. The general inquired of me if there was any late news from Washington concerning General Sheridan. The reporter then asked him what his opinion was as to the controversy between General Sheridan and Secretary of War Endicott. The general answered: "There is no controversy. It is simply an incident of the conflict of authority which has existed between the Secretary of War and the General of the Army since the days of Washington. General Scott had to leave Washington on that account. I had to leave there for the same reason, and Sheridan will have to go away."

Early Monday morning, May 4, we left on the St. Louis, Iron Mountain & Southern railway. I had heard and read a great deal in St. Louis about the mineral resources of the southeastern part of Missouri, through which we passed, but from the cars we could gain no information. We saw, on every side, herds of cattle, flocks of sheep, and bands of horses and mules. For miles the forest woods stretched away. We passed through the low lands of Arkansas, covered with valuable timber. We passed through Texarkana, a city located partly in Arkansas and partly in Texas, and not far from Louisiana. We proceeded across the State of Texas, only catching glimpses, here and there, of towns springing up, and broad fields already planted with cotton.

In passing through Dallas, we met my old boyhood friend, A. Banning Norton, who was there called Judge Norton. In 1844 he was so earnest in his zeal and enthusiasm for Henry Clay that he vowed he would not cut his hair until Clay was elected President of the United States. Clay's defeat was a sad blow to Norton, but he religiously kept his vow, and until the day of his death wore his hair unshorn. He was thoroughly loyal during the war, and was compelled to leave Texas and remain in Ohio until after the war was over, when he

returned and published a newspaper, and was kindly treated by his Texas neighbors. In his paper he said that receiving a telegram from me at six o'clock, at his residence, just before the arrival of the train, he hurried to the Union Depot, and there had the satisfaction of meeting our party. He said that his chief regret at the delay in receiving this telegram was that he did not have time enough to give notice to his neighbors, who would have been glad to give us an ovation. He went with us as far as Fort Worth, and we had a chance to revive the memories of early times, when we were schoolboys at Mount Vernon, Ohio.

We arrived at El Paso and Paso del Norte, the first a Texan and the second a Mexican town, opposite each other on the Rio Grande River, which, from its mouth to this point, is the boundary line between Mexico and the United States. El Paso must, in all human probability, become a place of great importance. From there we proceeded to Deming and entered Arizona. Here we began again to hear of rich mines, of thriving mining towns, and of the inexhaustible ores of silver and gold, but how much was truth and how much exaggeration we had no means of knowing. From the cars the whole country appeared to be a wilderness. Arizona, as viewed from the cars, does not present a pleasing prospect, though we heard that back beyond the mountains on either side were plains and valleys irrigated by mountain streams, where perennial grasses existed and grain was raised. We passed through Tucson, the capital of the territory. It is an old city, having been in existence, it is said, 300 years. Here we saw fields of barley, wheat, rye and timothy, and a large orchard, all enriched by irrigation. We soon crossed the Colorado River and entered California.

From Yuma to San Bernardino is an absolute desert. For over one hundred miles the track is one hundred feet, or more, below the level of the sea, and the country is absolutely naked of bird or grass. At San Bernardino we entered California proper, and there found a beautiful country, with nothing to obstruct the view, the California mountains being on the right all the way into Los Angeles. Upon my arrival in this city I

was pleasantly surprised. I had been there thirteen years before, but everything was changed. I could find none of the old landmarks I had formerly seen. They had disappeared, but in their place were great improvements and signs of progress and prosperity. I was asked the occasion of my visit. I answered truly that I proposed to remain in the southern part of the state for a week or more, for rest and recreation. Here, again, I had inquiries about the silver question. I was averse to giving any expression of opinion, but the topic was irrepressible, and I finally said to the representative of one of the leading papers: "I am in favor of a silver dollar, equal, in market value, to the gold dollar—actually equal. In other words, let the silver dollar have enough grains of silver in it to make it intrinsically worth, in the market, the gold dollar. As it is, the government buys the silver at a certain valuation and then coins it at another valuation, to make a profit on the difference. This is not protecting the silver producer at all. It really is an injury to him and his industry."

Our stay in Los Angeles was a very pleasant one. We drove to many interesting towns and settlements within fifteen or twenty miles of the city. I do not remember, in my many travels, any part of the earth's surface that is more attractive in the spring of the year, the season when I was there, than the region about Los Angeles. I met there many friends of General Sherman, who inquired for him, and I informed them he was living very pleasantly in St. Louis, that I had spent the last Sunday with him, that he traveled a great deal, and attended reunions with old army comrades, which he enjoyed very much, that he was fond of the Pacific coast and liked to go there, and that I almost persuaded him to come with me on this trip, had not other engagements existed which he could not annul.

We met several Ohio people while here, among them two or three gentlemen whom we had known as boys in Mansfield. We drove to Wolfskill's orange grove, and to many handsome places in, and around, Los Angeles, to Sierra Madre Villa, to Baldwin's place, to Rose's wine establishment, and to Passadena, where we found Senator Cameron and his wife pleasantly situated, and where they spent the summer.

From Los Angeles we departed by stage and passed through the Los Angeles valley, the San Fernando valley, and after crossing the coast range saw the sea. For the first time we were at the Pacific coast proper. On the way we met a settlement of Ohio men, most of them from Richland county, whom we knew. San Buenaventura is the county seat of Ventura county, with about 2,000 inhabitants. It is an interesting place, its chief ornament being an old mission built in 1784. We there visited a loan exhibition and floral display under the management of the ladies of the village and surrounding country, and saw the evidences of a semi-tropical climate, magnificent palm trees, and the orange, the lemon and the lime. From this place to Santa Barbara the drive was mainly along the beach. Passing from the beach we entered upon a beautiful country, and so proceeded all the way into Santa Barbara, through charming valleys and under pleasant skies.

At Santa Barbara we were welcomed by Colonel Hollister, a native of Ohio and a ranchero of California, whom, as already related, I had met under similar circumstances thirteen years previous. We stopped at a hotel owned by him and for four days were his guests. He had settled on a tract of country west of Santa Barbara, and had become the owner of a ranch of 48,000 acres as well as extensive property in Santa Barbara and other places. We visited him at Glen Annie after a drive of a few miles in an open carriage, all the way within view of the sea and the mountains, through valleys cultivated like gardens, under a bright sky in pure air. On the foot hills were grazing herds of cattle, flocks of sheep and droves of horses. On either side of the carriage road were groves of the English walnut, orange, lemon, lime, apricot, peach, apple, cherry, the date palm and olive trees, with acres and acres of vineyards, and now and then a park of live oak. The mansion of Glen Annie was surrounded by a bower of flowers and vines. From the porch we could see the sea. This was the second time I had been at Santa Barbara and I always remember it as perhaps the most pleasing combination of scenery I have ever witnessed. We spent a very pleasant hour with Mr. Stoddard and family, who had removed from Ohio some years before to

that delightful part of our country. From Santa Barbara we went by steamer to Wilmington and San Pedro and then returned to Los Angeles through a beautiful country. From thence we went to San Francisco by rail through a country that seemed absolutely worthless except now and then there were small valleys highly cultivated. In the early morning we were in the valley of the San Joaquin, where wide fields extend all along both sides. Here we saw thousands of acres of land covered by growing wheat without a fence to protect it.

Arriving at Oakland we crossed the bay to San Francisco on the 18th of May, stopping at the Palace hotel. There I was called upon by reporters of the several papers and was asked to tell them where I came from, where I was going, and my opinions upon various subjects. All manner of questions were asked and answered about matters of no present interest. Our party visited many places of interest in and about San Francisco. I visited General Pope, at his residence at Black Point, the fort at the entrance of the Golden Gate, the seal rocks and park. While here I met a great number of very agreeable gentlemen and ladies, some of whom were from Lancaster, Ohio. The letters given me by General Sherman introduced me to prominent men, who were very kind and courteous. On the 25th, a public reception was tendered me at the rooms of the Chamber of Commerce, by the members of that body, the Board of Trade and the Manufacturers' Association. This was an act of courtesy that I did not expect, but greatly appreciated. The usual speech making occurred. I was introduced by Henry L. Dodge, president of the chamber, in flattering terms, and responded in a brief speech. I recalled to them my visit to California with Colonel Scott in connection with the Texas Pacific railroad, and the early connection of General Sherman with the history of California. I expressed my appreciation of the importance of California, and its enormous development and influence upon the country since it became a part of the United States. I stated my views in respect to the silver question, and the importance of maintaining all forms of money at parity with each other, so that coins of both silver and gold might "travel all over the world equal to each other in every land and

in every port." I insert two passages from this speech, which, though it did not conform to their opinions and interests, was kindly received by the intelligent body of merchants present. I said:

"It is due to frankness and manhood for me to say that in the country there is a feeling now, that if the present system should be continued unchanged, the result would be that gold would be demonetized, being worth more than silver as coined by the government of the United States. The opinion prevails that the only thing to remedy this is to buy the silver and gold, or take them from the miner and coin them at the same rate, of equal market value, in coins, one for the other, so that they would travel, side by side, without depreciation or discount. There is an inclination in the eastern states, not of hostility to silver, but of hostility to that system which would take from the miner the fruit of his labor at its market rate and issue it at a depreciated rate; so that even cautious people would doubt whether or not this silver money will hereafter be as good as gold money.

"I wish you success in all your business enterprises. I know your success will contribute to the happiness of our country. I am glad to be able to congratulate the merchants of San Francisco upon the enormous growth and prosperity of our country, not only of California, not only of San Francisco, Los Angeles and the other beautiful towns you have in your midst, but the whole country; for although we have sometimes here and there waves of dejection, after all, our country is moving forward in bounding prosperity. We have now the best currency that exists on the globe. Our credit is unrivaled in all the world, for no nation can borrow money at so low a rate as our United States bonds now bear. Our general prosperity is increasing and abounding, and although, as I have said, there may be waves here and there, the progress is onward and upward and hopeful. I trust you will be prosperous in your enterprises, that you will share in the common prosperity of our whole country, for, after all, the energy of your people of San Francisco and California should not be expended entirely alone on the Pacific coast. This whole boundless continent is ours, and only awaits the time when we choose to assert our right to take it and hold it."

At the invitation of Senator John F. Miller I spent a day on his ranch in Napa valley. It was a beautiful country, neither a prairie nor a woodland, but more like a fine cultivated park, with here and there groups of trees planted by nature. I made several excursions around the bay, accompanied by General Pope and members of his staff. I was delighted with my visit in and around San Francisco, not only for the natural beauty of the country, but also on account of the kindness of

its inhabitants. I was no doubt indebted for this to my connection with General Sherman, who seemed to be known and greatly beloved by everyone.

I have a pleasant recollection of a reception given at the Dirigo club. The gentlemen present were not all young men, though they chose to regard themselves as such. Major Chamberlain delivered a brief address of welcome, in which he referred to the "martial services of General Sherman and the pacific achievements of the Senator," and drew a comparison, highly complimentary to both of the brothers. William W. Morrow, Member of Congress, formally welcomed me as a guest of the club and delivered a short but eloquent speech. I made a brief reply and then the company was served with refreshments, entertained with music and had a free and friendly time. The reception was a decided success as was to be expected from the high reputation of the club.

On the 27th of May we started northward towards Sacramento, and Portland, Oregon. Senator Leland Stanford was kind enough to furnish us a car and accompanied us to his ranch at Vina. We stopped at Chico long enough to visit the ranch of John Bidwell, containing 20,000 acres. He met us at the station and we were soon conveyed to his mansion such as is seldom built on a farm. We drove through orchards of peach, apricot, cherry, apple, pear and almond trees, while in his gardens were all kinds of berries and vegetables. After this brief visit we proceeded along the line of the railroad to Vina, the extensive possession of Senator Stanford, containing 56,000 acres. Here is said to be the largest vineyard in the world, 3,600 acres. On leaving Mr. Stanford we proceeded to the terminus of the railroad, from which point we crossed the coast range of mountains in a stage, and were for three days in sight of Mt. Shasta. This mountain rising from the plains stands out by itself 14,400 feet above the level of the sea. Between Shasta and the Sierras proper there is no continuity, nor is there with the coast range. More properly it is a butte, a lone mountain. Shortly after leaving Southern's the castle rocks came in view, the highest and boldest mountains in close proximity, or within our view. Shasta was crowned with snow, the snow line

beginning 7,000 feet from its base. The scene all day had been rugged and bold, and as we traveled by the Sacramento River, here a rapid mountain stream, its waters rushed along the rocky bottom, now confined within narrow banks, now widening out into a wide deep bed as clear as crystal and cold and pure. For thirty miles of our travel that day we had been in a good timbered country. Within a circle of fifty feet in diameter we counted a dozen pines, everyone of which would have yielded ten to twelve thousand feet of sawed timber. Flowers of the richest colors were found in the woods, and the range afforded feed for thousands of cattle. At Southern's we took a spring-top wagon in which to ride sixteen miles over the mountains. We spent three days in the journey between Delta, California, and Ashland, Oregon, the two ends of the railway approaching towards each other. I recall it as the most charming mountain ride I ever took. While crossing the mountain I occupied a seat with the driver and much of the time I held the reins. The ascent of the Siskiyou mountain was very tedious. Much of the way the load was too heavy for our six horses to pull, and many dismounted from the coach, among them the driver; the reins were placed in my hands and we transferred most of the baggage from the boot to the body of the coach. So we climbed the Siskiyou 5,000 feet to the summit of the pass. Then on a gallop, with the coach full, we turned downward. At one time, as the lead team turned a sharp curve, it was nearly opposite the stage. Down, still down, and on the full gallop, we arrived at Ashland on the evening of the 31st of May, and remained there one day.

On the 1st of June we followed the line of the Willamette valley, a productive region for the cultivation of wheat and other cereals. At Albany we were met by Governor Moody and Secretary Earnhart, who welcomed us to Oregon. With these officials we went to Salem, the capital city of the state. My visit in Salem was a very pleasant one and I was especially indebted to Governor Moody for his courtesy and kindness. On the morning of the next day, the 2nd of June, we left Salem and rode down the valley to Portland. This, the principal city of Oregon, then contained a population of nearly 40,000, of

whom 6,000 or 7,000 were Chinese. It was the natural head of navigation of the Columbia River, and was a flourishing, handsome city of the American type, in this respect unlike the cities of California. General Miles was then in command of the military district, with his residence at Fort Vancouver, Washington Territory. The military post of Vancouver was then on the north bank of the Columbia River, but a few miles from Portland. Mrs. Miles is the daughter of my brother Charles, and I remained with their family in Vancouver during my two or three days stay there, my traveling companions making their headquarters at Portland.

When visiting Tacoma and Seattle our party had been increased to the number of seventeen gentlemen, some of them connected with the army, some with the railroads, and others who joined us in our progress around the waters of Puget Sound and strait of Juan de Fuca. These waters furnish perhaps the finest harbors in the world. They are deep, with high banks rising in some places to mountains, and capable of holding all the navies of the world. In a military sense Puget Sound can be easily defended from an enemy coming from the sea, and, though the country is mountainous, it is capable of sustaining a large population in the extensive valleys both east and west of the coast range. I have visited this portion of the United States on three occasions, and am always more and more impressed with its great importance and its probably rapid increase of population and wealth. I will not dwell longer on this interesting trip.

We left Portland on the 7th of June and proceeded on the Northern Pacific railroad to Tacoma. On the train we met Charles Francis Adams, Jr., with a party of railway managers, and in Tacoma met an old friend, a gallant and able officer, General John W. Sprague, formerly from Erie county, Ohio, and more recently connected with the Northern Pacific Railway Company. On Sunday, our party, including Mr. Adams, dined with General Sprague. We had not as yet been able to see Mount Tacoma in its glory, as it was constantly shrouded by clouds. In the course of the dinner, Mr. Adams said humorously to Mrs. Sprague that he had some doubts whether there

was a Mount Tacoma, that he had come there to see it and looked in the right direction but could not find it. I saw that this nettled Mrs. Sprague, but she said nothing. In a few moments she left the table and soon came back with a glowing face, saying: "You can see Tacoma now!" We all left our places at the table and went out on the porch, and there was Mount Tacoma in all its glory. The clouds were above the head of the mountain and it stood erect, covered with snow, one of the most beautiful sights in nature. Mr. Adams said: "Tacoma—yes Mount Tacoma is there and is very beautiful!"

On the 9th of June we visited Victoria in British Columbia. On our return we stopped at Port Townsend and Seattle. I received many courtesies from gentlemen at Seattle, many of whom had been natives or residents of Ohio, and among them Governor Squire, who had read law in Cleveland and was admitted to the bar in Mansfield, where I resided. Among other events we were tendered a reception and a banquet at Tacoma, at which seventy persons sat at the table. I was introduced in complimentary terms and expressed my surprise at the rapid growth of Tacoma and Seattle and that part of our country. It was a wonder, I said, that such a scene could occur in a place that had so recently been without an inhabitant and with little population in the neighborhood except Indians, and where, but a few years before, the Walla Wallas and the Nez Percés were on the war path and General Miles was in pursuit of them. I referred to the unrivaled body of water, Puget Sound, and said that in the geography of the world it was not equaled. I referred, also, to the coal fields and other elements of wealth scattered through the then territory. I carefully avoided the subject of the rivalry been Tacoma and Seattle, but after all I found there was no ill-will between the two places. Speeches were also made by Governor Squire, Mr. Adams, General Miles and others.

We returned to Portland on the 12th of June, but before that we visited Astoria, looked into the great industry of salmon packing, and were greeted by quite a number of old Ohioans. On our return we visited Walla Walla and there saw wheat growing that yielded fifty bushels to the acre. We remained

over, also, at Spokane Falls, then a mere village with a few houses, since become quite a city.

General Miles and I drove in a buggy from Spokane to Fort Cœur d'Alène, a military post which he wished to visit and inspect. It is situated on a lake which is famous for the abundance of its fish. From there we took the cars to Helena, where we remained a day, and then proceeded to St. Paul, where we arrived on the 21st of June. Here again we found the interviewer, who wanted to know my opinion about Cleveland, the silver question, the Chinese and various other topics. I pleaded ignorance on all these matters, but told the reporter that if he would call upon me in the course of a month I would be able to answer his inquiries.

From St. Paul we went to Milwaukee and there crossed Lake Michigan and thence by rail to Grand Rapids, where I had a number of acquaintances and some business. We then proceeded by way of Detroit and Sandusky to our home at Mansfield about the 24th of June.

CHAPTER XLIX.

Reunion of the "Sherman Brigade."

Patriotic Address Delivered at Woodstock, Conn., on My Return from the Pacific Coast — Meeting of the Surviving Members of the Sherman Family at Mansfield — We Attend the Reunion of the "Sherman Brigade" at Odell's Lake — Addresses of General Sherman and Myself to the Old Soldiers and Others Present — Apathy of the Republican Party During the Summer of 1885 — Contest Between Foraker and Hoadley for the Governorship — My Speech at Mt. Gilead Denounced as "Bitterly Partisan" — Governor Hoadley Accuses Me of "Waving the Bloody Shirt" — My Reply at Lebanon — Election of Foraker — Frauds in Cincinnati and Columbus — Speeches Made in Virginia.

UPON my return from the Pacific coast I found a mass of letters to be answered, and many interviewers in search of news, and I had some engagements to speak for which I had made no preparations. Among the latter was a promise to attend a celebration of the approaching 4th of July at Woodstock, Connecticut, under the auspices of Henry C. Bowen of the New York "Independent." He had for several years conducted these celebrations at his country home at much expense, and made them specially interesting by inviting prominent men to deliver patriotic addresses suitable for Independence Day. General Logan and I were to attend on this occasion. I selected as my theme "America of to-day as contrasted with America of 1776." I prepared an address with as much care as my limited time would allow, giving an outline of the history of the Declaration of Independence, and the prominent part taken by the sons of Connecticut in this and other great works of the American Revolution. The address was published in the "Independent." I have read it recently and do not see where it could be improved by me. The outline of the growth of the

United States presents the most remarkable development in the history of mankind. I closed with the following words:

"It has been my good fortune, within the last two months, to traverse eleven states and territories, all of which were an unbroken wilderness in the possession of savage tribes when the declaration was adopted, now occupied by 15,000,000 people — active, intelligent, enterprising citizens, enjoying all the advantages of modern civilization. What a change! The hopeful dreams of Washington and Jefferson and Franklin could not have pictured, as the probable result of their patriotic efforts, such scenes as I saw; cities rivaling in population and construction the capitals of Europe; towns and villages without number full of active life and hope; wheat fields, orchards, and gardens in place of broad deserts covered by sage brush; miners in the mountains, cattle on the plains, the fires of Vulcan in full blast in thousands of workshops; all forms of industry, all means of locomotion.

"Who among us would not be impressed by such scenes? Who can look over our broad country, rich in every resource, a climate and soil suited to every production, a home government for every community, a national government to protect all alike, and not feel a profound sentiment of gratitude, first of all to the great Giver of all gifts, and next to our Revolutionary fathers who secured, by their blood and sacrifices, the liberty we enjoy, and by their wisdom moulded the people of the United States into one great nation, with a common hope and destiny?

"And this generation may fairly claim that it has strengthened the work of the fathers, has made freedom universal, and disunion impossible. Let the young men of to-day, heirs of a great heritage, take up the burden of government, soon to fall on their shoulders, animated by the patriotic fire of the Revolution and the love of liberty and union that inspired our soldiers in the Civil War, turning their back upon all the animosities of that conflict, but clinging with tenacious courage to all its results, and they will, in their generation, double the population and quadruple the wealth and resources of our country. Above all, they should keep the United States of America in the forefront of progress, intelligence, education, temperance, religion, and in all the virtues that tend to elevate, refine, and ennoble mankind."

General Logan delivered an eloquent and patriotic speech that was received by his audience with great applause. He was personally a stranger to the Connecticut people, but his western style and manner, unlike the more reserved and quiet tone of their home orators, gave them great pleasure. Senators Hawley and Platt also spoke. It is needless to say that our host provided us with bountiful creature comforts. On the whole we regarded the celebration as a great success.

During the last week of August, 1885, my surviving brothers and sisters visited my wife and myself at our residence in Mansfield. Colonel Moulton and the wives of General and Hoyt Sherman were also present. Several of my numerous nephews and nieces visited us with their parents. The then surviving brothers were W. T. Sherman, Lampson P. Sherman, John Sherman, and Hoyt Sherman, and the surviving sisters were Mrs. Elizabeth Reese and Mrs. Fanny B. Moulton. The brothers and sisters who died before this meeting were Charles T. Sherman, James Sherman, Mrs. McComb, Mrs. Willock and Mrs. Bartley. All of the family attended with me the reunion of the "Sherman Brigade," at its camp at Odell's Lake. On the arrival of the train at the lake we found a great crowd of soldiers and citizens waiting to meet General Sherman. The brigade had served under his command from Chattanooga to Atlanta. They received him with great respect and affection and he was deeply moved by their hearty greetings. He shook hands with all who could reach him, but the crowd of visitors was so great that many of them could not do so. The encampment was located at the west end of the lake, justly celebrated for the natural beauty of its scenery, and a favorite resort for picnic excursions from far and near. We arrived at about twelve o'clock and were at once conducted to a stand in the encampment grounds, where again the hand-shaking commenced, and continued for some time. General Sherman and I were called upon for speeches. He was disinclined to speak, and said he preferred to wander around the camp but insisted that I should speak. I was introduced by General Finley, and said:

"Soldiers and Citizens, Ladies and Gentlemen:—I saw in one of your published statements that I was to make an address on this occasion. That is not exactly according to the fact. I did not agree to make a speech. One year ago, when the Sherman Brigade met at Shelby, I did, according to promise, make a prepared speech, giving the history of the organization of the 'Sherman Brigade,' and a copy of that, I understand, was sent to surviving members of that brigade. But few will care for this, but it may interest the wives or the children of these soldiers.

"Now I do not intend to make a speech, but only a few remarks preliminary to those that will be made to you by one more worthy to speak to soldiers than I am.

"I have always understood that at soldiers' reunions the most agreeable portion of the proceedings is to have the old soldiers gather around the campfire to tell their stories of the war, to exchange their recollections of the trying period through which they passed from 1861 to 1865; to exchange greetings, to exhibit their wives and children to each other, and to meet with their neighbors in a social way and thus recall the events of a great period of American history. And this is really the object of these reunions.

"You do not meet here to hear speeches from those, who, like myself, were engaged in civil pursuits during the war, and therefore, I never am called before a soldiers' reunion but I feel compelled to make an apology for speaking."

I referred to General Grant and his recent death, and then to General Sherman as follows:

"There is another of those commanders, who is here before you to-day. What is he? He is now a retired army officer. When the war was over he became the General in Chief of the army, served until the time fixed by the law for his retirement, and now he is a private citizen, as plain and simple in his bearing and manners as any other of the citizens who now surround him. These are the kind of heroes a republic makes, and these are the kind of heroes we worship as one free man may worship another."

General Sherman was then introduced to the vast audience, and said:

"Comrades and Friends: — A few days ago I was up on the banks of Lake Minnetonka, and was summoned here to northern Ohio to participate in a family reunion. I knew my brother's house in Mansfield was large and commodious, sufficient to receive the survivors of the first generation of the family, but I also knew that if he brought in the second and third generation he would have to pitch a camp somewhere, and I find he has chosen this at Odell's Lake. So, for the time being, my friends, you must pass as part of the Sherman family, not as 'the Sherman Brigade,' and you must represent the second and third generation of a very numerous family.

"Of course, it is not my trade or vocation to make orations or speeches. I see before me many faces that look to me as though they were once soldiers, and to them I feel competent to speak; to the others I may not be so fortunate.

"But, very old comrades of the war, you who claim to be in 'Sherman's Brigade' or in any other brigade, who took a part in the glorious Civil War, the fruits of which we are now enjoying, I hail and thank you for the privilege of being with you this beautiful day in this lovely forest and by the banks of yonder lake, not that I can say anything that will please you or profit you, but there is a great pleasure in breathing the same air, in thinking the same thoughts, in feeling the same inspirations for the future, which

Col. C. W. Moulton. Mrs. Reese.
Mrs. Moulton. E. J. Babcock.
Mrs. Senator Sherman.
Senator Sherman.

Lampson Sherman. Mrs. Hoyt Sherman. Mrs. Gen. Sherman.
Gen. Sherman. Hoyt Sherman. Miss Kate P. Willock (Niece of Senator).
Miss Mary Sherman. Mrs. H. R. Probasco (Daughter of Col. Moulton).
P. T. Sherman (Son of Gen.). Mrs. F. B. Wiborg (Daughter of Hoyt Sherman).

MEETING OF THE SURVIVING MEMBERS OF THE SHERMAN FAMILY AT MANSFIELD.

UNIVERSITY

every member of the 'Sherman Brigade' and the children who have succeeded them must, in contemplating the condition of our country at this very moment of time. Peace universal, not only at home but abroad, and America standing high up in the niche of nations, envied of all mankind and envied because we possess all the powers of a great nation vindicated by a war of your own making and your own termination. Yes, my fellow-soldiers, you have a right to sit beneath your own vine and fig tree and be glad, for you can be afraid of no man. You have overcome all enemies, save death, which we must all meet as our comrades who have gone before us have done, and submit. But as long as we live let us come together whenever we can, and if we can bring back the memories of those glorious days it will do us good, and, still more, good to the children who will look up to us as examples."

He continued to speak for fifteen minutes or more, and closed with these words:

"My friends, of course I am an old man now, passing off the stage of life. I realize that, and I assure you that I now think more of the days of the Mexican War, the old California days, and of the early days of the Civil War, than I do of what occurred last week, and I assure you that, let it come when it may, I would be glad to welcome the old 'Sherman Brigade' to my home and my fireside, let it be either in St. Louis or on the banks of the Columbia River in Oregon. May God smile upon you, and give you his choicest blessings. You live in a land of plenty. I do not advise you to emigrate, but I assure you, wherever you go, you will find comrades and soldiers to take you by the hand and be glad to aid you as comrades."

The gathering was a thoroughly enjoyable one, and was often recalled by those present.

During the summer of 1885 there was much languor apparent in the Republican party. President Cleveland was pursuing a conservative policy, removals from office were made slowly, and incumbents were allowed to serve out their time. Foraker and Hoadley were again nominated in Ohio for governor by their respective parties, and the contest between them was to be repeated.

There was a feeling among Republicans of humiliation and shame that the people had placed in power the very men who waged war against the country for years, created a vast public debt, and destroyed the lives of hundreds of thousands of people. This feeling was intensified by the fact that Republicans in the south were ostracised and deprived of all political power

or influence. In the Democratic party there were signs of dissension. Charges of corruption in Ohio, in the election of Payne as Senator in the place of Pendleton, were openly made, and the usual discontent as to appointments to office that follows a change of administration was manifest. Under these conditions I felt it to be my duty to take a more active part in the approaching canvass than ever before. On the 13th of August, I met at Columbus with Foraker and the state Republican committee, of which Asa S. Bushnell was chairman, and we prepared for a thorough canvass in each county, the distribution of documents and the holding of meetings. In addition to the state ticket there were to be elected members of the legislature. There was no contest as to the selection of a United States Senator, as, by general acquiescence, it was understood that if the legislature should be Democratic Thurman would be elected, and if it should be Republican I would be elected. Governor Foster, when spoken to upon this subject, very kindly said:

"As long as John Sherman desires to be Senator, or is willing to take the office, there is no use for me or any other man with senatorial aspirations to be a candidate against him. Sherman is yet young. He is not much over sixty, and it would be idle to dispute that he is the best equipped man in the Republican party of Ohio for that position. He has the learning, the ability, the experience, and the popularity."

The organization of both parties was completed and a vigorous canvass inaugurated. Foraker soon after commenced a series of public meetings extending to nearly every county in the state, and everywhere made friends by his vigorous and eloquent speeches.

On the 18th I attended a pioneer picnic at Monroe, near the division line between the counties of Butler and Warren. This mode of reunion, mainly confined to farmers, is quite common in Ohio, and is by far the most pleasing and instructive popular assemblage held in that state. The discussion of politics is forbidden. The people of the country for miles around come in wagons, carriages, on horseback and on foot, men, women and children, with their baskets full of food and fruit, and gather in a well-shaded grove, in families or groups, and

discuss the crops and the news, and make new or renew old acquaintance. When the scattered picnic is going on everyone who approaches is invited to eat. When the appetite is satisfied all gather around a temporary platform, and speeches, long and short, upon every topic but politics, are made. I have attended many such meetings and all with sincere pleasure. This particular picnic was notable for its large attendance—estimated to be over three thousand—and the beauty of the grove and the surrounding farms. I made an address, or rather talked, about the early times in Ohio, and especially in the Miami valley, a section which may well be regarded as among the fairest and most fruitful spots in the world. The substance of my speech was reported and published. The sketch I was able to give of incidents of Indian warfare, of the expeditions of St. Clair and Wayne, of the early settlement in that neighborhood, and of the ancestors, mainly Revolutionary soldiers, of hundreds of those who heard me, seemed to give great satisfaction. At the close of my remarks I was requested by the Pioneer Society to write them out for publication, to be kept as a memorial, but I never was able to do so.

On the 26th of August I made, at Mt. Gilead, Morrow county, my first political speech of the campaign. The people of that county were among my first constituents. More than thirty years before, in important and stirring times, I had appeared before them as a candidate for Congress. I referred to the early history of the Republican party and to the action of Lincoln and Grant in the prosecution of the war, and contrasted the opinion expressed of them by the Democratic party then and at the time of my speech. During the war our party was the "black abolition party," Lincoln was an "ape," Grant was a "butcher," and Union soldiers were "Lincoln hirelings." I said:

"Our adversaries now concede the wisdom and success of all prominent Republican measures, as well as the merits of the great leaders of the Republican party. Only a few days since I heard my colleague, Senator Payne, in addressing soldiers at Fremont, extol Lincoln and Grant in the highest terms of praise and say the war was worth all it cost and he thanked God that slavery had been abolished. Only recently, when the great procession conveyed the mortal remains of Grant to

their resting place, I heard active Confederates extol him in the highest terms of praise, and some of them frankly gloried in the success of Republican measures, and, especially, in the abolition of slavery."

I said that the Republican party, within six years after its organization, overthrew the powerful dominant Democratic party, and for twenty-four years afterwards conducted the operations of a great government in war and in peace, with such success as to win the support and acquiescence of its enemies, and could fairly claim to be worthy of the confidence and support of the great body of the people. The defection of a few men in three Republican states had raised our old adversaries to power again in the national government. I continued:

"Some of the very men who boastfully threatened to break up the Union, and, with the oath of office in support of the constitution fresh upon their lips, conspired and confederated to overthrow it, waged war against it, and were the cause of the loss of half a million of lives and thousands of millions of treasure, have been placed in high office again, in the very seats of power which they abandoned with scorn and defiance. Two members of the Confederate congress, and one man who sympathized with them, are at the head of great departments of the government. I saw the Union flag at half-mast, floating over the interior department in sign of honor and mourning for the death of Jacob Thompson, whom we regarded as a defaulter and a conspirator. This country is now represented abroad by men who, within twenty-five years, were in arms to overthrow it, and the governing power in the executive branch of the government is in sympathy with the ideas of, and selects the chief officers of the government from, the men who were in war against it. This strange turn in events has but one example in history, and that was the restoration of Charles II, after the brilliant but brief Protectorate of Cromwell, and, like that restoration, is a reproach to the civilization of the age."

I referred to the "solid south," and the means by which it was held together in political fellowship by crimes, violence and fraud which, if continued, would as surely renew all the strifes of the Civil War as that the sun would roll around in its course.

In referring to the Republican party and its liberality I said:

"The Republican party was certainly liberal and just to the rebels lately in arms against the country. We deprived them of no political power, no blood was shed; no confiscation was had; and more generous terms were conceded to them than ever before had been extended to an unsuccessful party

in a civil war. Their leaders emphasized that at the burial of our great commander, General Grant. The result of the settlement by the constitutional amendments at the close of the war was to give them increased political power, upon condition that the slaves should be free and should be allowed to vote, and that all political distinctions growing out of race, color or previous condition of servitude should be abolished; and yet to-day, the Republican party is faced by a 'solid south,' in which the negro is deprived, substantially, of all his political rights, by open violence or by frauds as mean as any that have been committed by penitentiary convicts, and as openly and boldly done as any highway robbery. By this system, and by the acquiescence of a few northern states, the men who led in the Civil War have been restored to power, and hope, practically, to reverse all the results of the war.

"This is the spectre that now haunts American politics, and may make it just as vital and necessary to appeal to the northern states to unite again against this evil, not so open and arrogant as slavery, but more dangerous and equally unjust. The question then was the slavery of the black man. Now the question is the equality of the white man, whether a southern man in Mississippi may, by depriving a majority of the legal voters in the state of their right to vote, exercise twice the political power of a white man in the north, where the franchise is free and open and equal to all.

"When we point out these offenses committed in the south, it is said that we are raising the bloody shirt, that we are reviving the issues of the war—that the war is over. I hope the war is over, and that the animosities of the war will pass away, and be dead and buried. Anger and hate and prejudice are not wise counselors in peace or in war. Generosity, forgiveness and charity are great qualities of the human heart, but, like everything else that is good, they may be carried to excess, and may degenerate into faults. They must not lead us to forget the obligations of duty and honor. While we waive the animosities of the war, we must never fail to hold on, with courage and fortitude, to all the results of the war. Our soldiers fought in no holiday contest, not merely to test the manly qualities of the men of the north and the south, not for power or plunder, or wealth or title. They fought to secure to themselves and their posterity the blessings of a strong national government; the preservation of the Union—a Union not of states, but of the people of the United States; not a confederate government, but a national government. The preservation of the Union was the central idea of the war. The Confederate soldier fought for what he was led to think was the right of a state to secede from the Union at its pleasure. The Union soldiers triumphed. The Confederate soldiers were compelled to an unconditional surrender.

"Fellow-citizens, the line drawn between the two parties is now as distinct as it was during the war, but we occupy a different field of battle.

"Then we fought for the preservation of the Union, and, as a means to that end, for the abolition of slavery. Now the Union is saved and slavery

is abolished, we fight for the equal political rights of all men, and the faithful observance of the constitutional amendments. We are for the exercise of national authority, for the preservation of rights conferred by the constitution, and upon this broad issue we invite coöperation from the south as well as the north.

"Upon this issue we intend to make our appeal to the honest and honorable people of the southern states. We think they are bound in honor to faithfully observe the conditions of peace granted to them by General Grant and prescribed by the constitutional amendments. If they do this we will have peace, union and fraternity. Without it we have agitation, contests and complaints. Upon this issue I will go before the people of the south, and, turning my back upon all the animosities of the war, appeal only to their sense of honor and justice."

I contrasted the policy and tendencies of the two parties on the question of protection to American industry, on good money redeemable in coin, on frauds in elections, on our pension laws, and on all the political questions of the day. I stated and approved the policy of the Republican party on the temperance question. I closed with an exhortation to support Governor Foraker and the Republican ticket and to elect a legislature that would place Ohio where she had usually stood, in the fore front of Republican states, for the Union, for liberty and justice to all, without respect of race, nativity and creed.

This speech was denounced by the Democratic press as "bitterly partisan;" and so it was and so intended. The Republican party during its long possession of power had divided into factions, as the Democratic party had in 1860. We had the Blaine, the Conkling and other factions, and many so-called third parties, and the distinctive principles upon which the Republican party was founded were in danger of being forgotten. It was my purpose to arouse the attention of the Republicans in Ohio to the necessity of union and organization, and I believe this speech contributed to that result. It was the text and foundation of nearly all I uttered in the canvass that followed.

Early in September Governor Hoadley, in commencing his campaign at Hamilton, assailed my speech at Mt. Gilead, charging me with waving the bloody shirt, and reviving the animosities of the war. He claimed to be a friend of the

negro, but did not deny the facts stated by me. He allowed himself to be turned from local questions, such as temperance, schools, economy, and the government of cities, in all of which the people of Ohio had a deep interest, and as to which the Democratic party had a defined policy, to national questions, and, especially, to reconstruction and the treatment of freedmen in the south. He thanked God for the "solid south." Though an Abolitionist of the Chase school in early life, and, until recently an active Republican, he ignored or denied the suppression of the negro vote, the organized terror and cruelty of the Ku-Klux Klan, and the almost daily outrages published in the papers. On the evening of the 8th of September I made a speech at Lebanon, in which I reviewed his speech at Hamilton in the adjoining county. I said I would wave the bloody shirt as long as it remained bloody. I referred to the copious evidence of outrage and wrong, including many murders of negroes and of white Republicans, published in official reports, and challenged him to deny it. I said that by these crimes the south was made solid, and the men who had waged war against the United States, though they failed in breaking up the Union, then held the political power of the Confederate states, strengthened by counting all the negroes as free men, though practically denying them the right of suffrage. I said this was not only unjust to the colored men but unjust to the white men of the north.

In conclusion I said:

"Thirty-eight Members of Congress, and of the electoral college, are based upon the six million of colored people in the south. The effect of the crimes I have mentioned is to confer upon the white people of the south, not only the number of votes to which they are entitled for the white population, but also the thirty-eight votes based upon the colored population, and, in this way, in some of the southern states, every white voter possesses the political power of two white voters in the northern states. The colored people have, practically, no voice in Congress and no voice in the electoral college. Mr. Cleveland is new President of the United States, instead of James G. Blaine, by reason of these crimes. I claim that this should be corrected. An injustice so gross and palpable will not be submitted to by the colored people of the south, nor by fair-minded white men in the south who hate wrong and injustice; nor by the great northern people, by whose sacrifices in the Union

cause the war was brought to a successful termination. It will not be submitted to, and Governor Hoadley, from his former position, ought to be one of the first to demand and insist upon a remedy, and not seek to avoid or belittle it by cant phrases."

After I had spoken in the opera house at Lebanon I was told that the stage I occupied was within a few feet of the place where my father died. The room in the old hotel in which he was taken sick, and in which he died within twenty-four hours, covered the ground now occupied by the east end of the opera house. As already stated, he died while a member of the supreme court holding court at Lebanon.

This debate at long range continued through the canvass. Governor Hoadley is an able man with many excellent traits, but in his political life he did not add to his reputation, and wisely chose a better occupation in the practice of his profession in the city of New York.

It is not worth while to enter into details as to the many speeches made by me in this canvass. I spoke nearly every day until the election on the 13th of October. While Foraker and Hoadley continued their debate I filled such appointments as were made for me by Mr. Bushnell. At Toledo, when conversing with a gentleman about the condition of affairs in the south, I was asked "What are you going to do about it?" In reply to this inquiry I said in my speech, at that place: "I do not exactly know how we are going to do it, but with the help of God we are going to arrange that the vote of the man who followed Lee shall no longer have, in national affairs, three times the power of the vote of the man who followed Grant. The tendency of events guided by a growing popular opinion will, I believe, secure this condition."

The meetings grew in number and enthusiasm. The largest meeting I ever witnessed within four walls was at Music Hall in Cincinnati, on the 22nd of September. The auditorium, the balcony, the gallery, even the windows were filled, and thousands outside were unable to enter. This and similar scenes in Cleveland and other cities indicated the success of the Republican ticket. Great interest was taken in the canvass in Ohio by many other states, as the vote in Ohio would indicate

the current of popular opinion. The result was the election of Foraker by a majority of 17,451, and of Robert P. Kennedy as lieutenant governor. The legislature elected was Republican by a decided majority, the size of which depended upon the official returns from Hamilton county, where frauds had been committed by the Democratic party.

Soon after the election I was urged by Senator Mahone to take part in the canvass in Virginia in which he was interested. I doubted the policy of accepting, but, assuming that he knew best, I agreed to speak in Petersburg and Richmond. Governor Foraker accepted a like invitation and spoke in the Shenandoah valley. On my way I addressed a spontaneous crowd in Washington, the only place in the United States where no elections are held, and there I could talk about frauds at elections. I had denounced fraud and violence in elections in the south, and at Washington I had to confess recent frauds attempted or practiced in Cincinnati. The worst feature was that the frauds in Ohio were forgery and perjury, committed by criminals of low degree for money, while in the south the crimes were shared by the great body of the people and arose from the embers of a war that had involved the whole country. I gave as a sample of the frauds in the 4th ward of Cincinnati this instance:

"As soon as the recent election was over an organized gang stopped the counting in fifteen precincts. Nobody but the gang knew what the vote was. This could be for no motive but to commit fraud, and frauds enough were committed in Hamilton county to change the result on the legislative ticket of four senators and nine representatives.

"There were probably 500 or 600 voters in the 4th ward, and according to previous elections about one-fourth were Republicans and the rest were Democrats. Well, they made a registration of 700. When the day of the election came they tore up the registration papers, and let every fellow vote as many times as he wanted until they got 996 votes in the ballot box. Then that was not all. The Republican judge got angry and went away, but he took the key. Then they broke open the box, tied it up with a rope and took it to the police officer, and then changed it so that when it was counted over 900 votes were Democratic and only 48 Republican!"

A similar fraud was attempted at Columbus in sight of the penitentiary. The returns of elections had been filed with the

county records. Between Saturday night and Monday morning thieves stole one of the returns and added three hundred tallies for every Democratic candidate, thus changing the number of ballots from 208 to 508. The judges were about to count this return, knowing it was a forgery, when public indignation was aroused in the city of Columbus, shared in by its most distinguished Democratic citizens, and fraud was prevented. I felt, and so declared, that these mean crimes were infinitely more despicable than the violence in the south, which sprang from a fear of the southern people that their institutions would be impaired by the votes of men debased by slavery and ignorance.

I went from Washington to Petersburg, where I was hospitably entertained by General Mahone. He had been greatly distinguished for his courage, ability and success, as a Confederate general in the Civil War, and had long been a popular favorite in Virginia. He took the lead on questions affecting the debt of Virginia in opposition to the Democratic party, and a legislature in favor of his opinions having been elected, he became a Senator of the United States. He voted as a rule with Republican Senators, but maintained a marked independence of political parties. I admired him for his courage and fidelity, and was quite willing to speak a good word for him in the election of a legislature that would designate his successor.

The meeting at Petersburg was held in a large opera house on the evening of the 29th of October. When I faced my audience the central part of the house and the galleries seemed to be densely packed by negroes, while in the rear was a fringe of white men. The line of demarkation was clearly indicated by color, most of the white men standing and seeming ill at ease. The speech was fairly well received. In opening I said my purpose was to demonstrate that what the Republican party professed in Ohio as to national questions was the same that it professed in Virginia, and that the practical application of the principles of the Republican party would be of vast benefit to the State of Virginia, while Democratic success would tend more and more to harden the times and prevent the industrial development of Virginia.

"Not only your newspaper," I said, "but the distinguished gentleman who is the Democratic candidate for Governor of the State of Virginia, has said to you that I was waving the bloody shirt while he was contending under the Union flag. If he meant, by waving the bloody shirt, that I sought, in any way, to renew the animosities of the war, then he was greatly mistaken, for in the speech to which he refers, and in every speech I made in Ohio, I constantly said that the war was over and the animosities of the war should be buried out of sight; that I would not hold any Confederate soldier responsible for what he did during the war, and that all I wished was to maintain and preserve the acknowledged results of the war. Among these, I claim, is the right of every voter to cast one honest vote, and have it counted; that every citizen, rich or poor, native or naturalized, white or black, should have equal civil and political rights, and that every man of lawful age should be allowed to exercise his right to vote, without distinction of race or color or previous condition. I charge, among other things, that these constitutional rights and privileges had been disregarded by the Democratic party, especially in the southern states."

The speech was largely historical in its character and evidently rather beyond the comprehension of the body of my audience. The scene and the surroundings made a vivid impression on my mind. Here, I felt, were two antagonistic races widely differing in every respect, the old relations of master and slave broken, with new conditions undeveloped, the master impoverished and the slave free without knowledge to direct him, and with a belief that liberty meant license, and freedom idleness. William McKinley, then a Member of the House of Representatives, and Green B. Raum then spoke, Mr. McKinley confining his speech mainly to a simple exposition of the tariff question, which his audience could easily understand.

The next day, at the invitation of John S. Wise, then the Republican candidate for Governor of Virginia, I went to Richmond, and spent a pleasant day with him. In the evening I attended a mass meeting in the open air, at which there was a very large attendance. There was no disorder in the large

crowd before me, but off to the right, at some distance, it was evident that a party of men were endeavoring to create some disturbance, and to distract attention from the speeches. While I was speaking Wise rose and, in terms very far from polite, denounced the people making the noise. He succeeded in preventing any interruption of the meeting. The speech made was without preparation, but, I think, better for the occasion than the one at Petersburg. I stated that I had been born and lived in a region where a large portion of the population was from Virginia and Kentucky; that I had always been taught to believe in the doctrines of the great men illustrious in Virginia history. To the charge made that I was engaged in waving the bloody shirt I said:

"If it means that I said anything in Ohio with a view to stir up the animosities of the Civil War, then, I say, it is greatly mistaken. I never uttered an unkind word about the people of Virginia that mortal man can quote. I have always respected and loved the State of Virginia, its memories, its history, its record, and its achievements.

"Again, although I was a Union man from my heart and every pulsation, just as my friend Wise was a Confederate soldier, yet I never heard in Ohio a man call in question either the courage or purity of motive of any Confederate soldier who fought in the Confederate ranks. I never uttered such a sentiment. I disclaim it. What I did say was this—what I say here in Richmond, and what I said in Petersburg is—that the war is over and all animosities of the war should be buried out of sight; that I would not hold any Confederate soldier responsible for what he did in the war, and all I ask of you is to carry out the acknowledged results of the war; to do what you agreed to, when Grant and Lee made their famous arrangement under the apple tree at Appomattox; to stand by the constitution and laws of the land, to see that every man in this country, rich and poor, native and naturalized, white and black, shall have equal civil and political rights, and the equal protection of the law. I said also, that by constitutional amendment agreed to by Virginia, every man of proper age in this country was armed for his protection with the right to cast one honest vote, and no more, and have that vote counted, and you, as well as I, are bound to protect every man in the enjoyment of that right.

"There is the ground I stood on in Ohio, and the ground I stand on now."

I closed my address as follows:

"And now a word to the best citizens of Richmond. If the criminal classes can deprive a colored man or a white Republican of his right to vote, as soon as they have accomplished it, then these rascals—because every

man who resorts to this policy is a rascal — then these rascals will soon undermine their own party. They will begin to cheat each other after they have cheated the Republicans out of their political power. My countrymen, there is no duty so sacred resting upon any man among you, I don't care what his politics are. It is honesty that I like to appeal to. I say there is no man who can be deprived of his right to vote without injuring you, from the wealthiest in the city of Richmond down to the humblest man among you, white or black.

"There is no crime that is meaner, there is no crime that is so destructive to society, there is no crime so prejudicial to the man who commits it as the crime of preventing a citizen from participating in the government. Here I intend to leave the question. I appeal to you, of whatever party, or color, or race, or country, to give us in Virginia at this election an honest vote and an honest count, and if Lee is elected, well and good; if Wise is elected, better yet."

The Democrats carried the state and Wise was defeated.

CHAPTER L.

Elected President Pro Tempore of the Senate.

Death of Vice President Hendricks — I Am Chosen to Preside Over the United States Senate — Letter of Congratulation from S. S. Cox — Cleveland's First Annual Message to Congress — His Views on the Tariff and Condition of Our Currency — Secretary Manning's Report — Garfield's Statue Presented to the Nation by the State of Ohio — I Am Elected a Senator from Ohio for the Fifth Time — I Go to Columbus to Return Thanks to the Legislature for the Honor — Business of this Session of Congress — Attempt to Inquire Into the Methods of Electing Mr. Payne to the Senate from Ohio — My Address on "Grant and the New South" — Address Before the Ohio Society of New York.

CONGRESS convened on the 7th of December, 1885. The death of Vice President Thomas A. Hendricks, on the 25th of November, was announced by Senator Voorhees, who offered appropriate resolutions, the consideration of which was postponed until January 26, 1886, when eloquent orations by Senators Voorhees, Hampton, Saulsbury, Evarts, Ransom, Spooner and Harrison were delivered in commemoration of his life and death. I added my sincere tribute to his marked ability and personal worth.

On the first day of the session after the opening prayer, Mr. Edmunds offered the following resolution:

"*Resolved*, That John Sherman, a Senator from the State of Ohio, be and he hereby is, chosen president *pro tempore* of the Senate."

Following the usual form Mr. Voorhees moved to strike out the words "John Sherman, a Senator from the State of Ohio," and insert "Isham G. Harris, a Senator from the State of Tennessee."

This was decided in the negative by the vote of 29 yeas and 34 nays, and thereupon the resolution was adopted. I was

United States Legation
Constantinople.

January 23 '86

Dear Mr Senator —

I am reminded by my wife of a courtesy I have neglected. It is that of congratulation — upon your accession to the post lately held by my friend (from Muskingum County!) Thomas A Hendricks. You have associations with that Valley — also. & they are connected with the best friend I ever had in Congress — Gen Saml R Curtis (with whom I used to associate in my callow Congressional days.) Besides I never forget the kindness with which my father used to regard C. J. Sherman, — your father, — for making him Clerk of the Supreme Court of Muskingum, in early days.

Here I am aloof from all old Muskingum memories or rather scenes. As I looking out of my Balcony on this Spring day in mid-winter, — I see the Golden Horn brimming full of — Ships — & other Evidences of Interchange & far beyond it — "clear as a fountain in July when we see each grain of gravel" — Mt Olympus lifts a double

Crown of Snow! —

But I only meant to testify to you, — from these remote realms, — the pardonable pride of an Ohioan — & a veteran Congressman — in your elevation —

When you write to the General, — remember me to him kindly —

Mrs. Cox desires to be kindly regarded — to your wife & yourself. She joins me in felicitations! —

With Esteem &c

J. H. Cox

Hon. Jno Sherman

LIBRARY

escorted to the chair by Senators Edmunds and Voorhees and, having taken the oath prescribed by law, said:

"Senators, I return you my grateful thanks for the high honor you have conferred upon me.

"In common with all the people of the United States I share in profound sorrow for the death of the Vice President, specially designated by the constitution to act as president of the Senate. It is an impressive lesson of the uncertain tenure by which we all hold office and life. The contingency has happened which compels you now, at the beginning of the session, to choose a president *pro tempore*.

"In assuming this position, without special aptitude or experience as a presiding officer, I feel that for a time, at least, I shall have often to appeal to the habitual courtesy and forbearance of Senators. Fortunately the rules of the Senate are simple and clear. My aim will be to secure the ready and kindly obedience and enforcement of them, so that in an orderly way the sense of the majority may be ascertained and the rights of the minority may be protected.

"I can only say, Senators, that while I hold this position I will endeavor, to the utmost of my ability, to be just and impartial, and I invoke from each of you assistance and forbearance."

This honor was unsought by me. The public prints had, as usual, discussed the choice of president of the Senate, but I made no mention of it to any Senator. I was gratified with the choice, chiefly because it would, in a measure, relieve me from burdensome details, and was an evidence of the good will of my associates.

I received many letters of congratulation on this event, one of which, from Mr. Cox, I insert:

UNITED STATES LEGATION,
CONSTANTINOPLE, January 23, 1886.

DEAR MR. SENATOR:—I am reminded by my wife of a courtesy I have neglected. It is that of congratulation upon your accession to the post lately held by my friend (from Muskingum county) Thomas A. Hendricks. You have associations with that valley also, and they are connected with the best friend I ever had in Congress, General Samuel R. Curtis, with whom I used to associate in my callow congressional days.

Besides, I never forget the kindness with which my father used to regard C. R. Sherman, your father, for making him clerk of the supreme court of Muskingum, in early days.

Here I am, aloof from all old Muskingum memories, or rather, scenes. As I look out of my balcony, on this spring day in midwinter, I see the Golden Horn brimming full of ships and other evidences of interchange; and

far beyond it, 'clear as a fountain in July, when we see each grain of gravel,' Mt. Olympus lifts a double crown of snow.

But I only meant to testify to you, from these remote nations, the pardonable pride of an Ohioan, and a veteran Congressman—in your elevation.

When you write to the general, remember me to him kindly.

Mrs. Cox desires to be kindly regarded to your wife and yourself. She joins me in felicitations. With esteem, etc., S. S. Cox.

Hon. John Sherman.

President Cleveland's first annual message was delivered to the Senate on the 8th of December. He stated that:

"The fact that our revenues are in excess of the actual needs of an economical administration of the government justifies a reduction in the amount exacted from the people for its support.

* * * * * * * * *

"The proposition with which we have to deal is the reduction of the revenue received by the government, and indirectly paid by the people from customs duties. The question of free trade is not involved, nor is there now any occasion for the general discussion of the wisdom or expediency of a protective system.

"Justice and fairness dictate that, in any modification of our present laws relating to revenue, the industries and interests which have been encouraged by such laws, and in which our citizens have large investments, should not be ruthlessly injured or destroyed. We should also deal with the subject in such manner as to protect the interests of American labor, which is the capital of our workingmen; its stability and proper remuneration furnish the most justifiable pretext for a protective policy."

This specific principle, if fairly and justly applied to all industries alike, would be a basis for customs duties that all would agree to, but, when made, a struggle arises in determining the articles to be protected, and those to be free of duty. The President said that the reduction should be made of duties upon the imported necessaries of life. Such articles are not imported; they are mainly produced by our own people. By common consent the few articles that are imported, classed as necessaries of life, and which cannot be produced in this country, are already free of duty. When Congress undertook to reduce the revenues it was found difficult to apply the rule suggested by the President. He said:

"Nothing more important than the present condition of our currency and coinage can claim your attention.

"Since February, 1878, the government has, under the compulsory provisions of law, purchased silver bullion and coined the same at the rate of more than $2,000,000 every month. By this process, up to the present date, 215,759,431 silver dollars have been coined."

He properly stated that the mere desire to utilize the silver product of the country should not lead to a coinage not needed for a circulating medium. Only 50,000,000 of the silver dollars so coined had actually found their way into circulation, leaving more than 165,000,000 in the possession of the government, the custody of which had entailed a considerable expense for the construction of vaults for its safe deposit. At that time the outstanding silver certificates amounted to $93,000,000, and yet every month $2,000,000 of gold from the public treasury was paid out for two millions or more silver dollars to be added to the idle mass already accumulated. He stated his view of the effect of this policy, and in clear and forcible words urged Congress to suspend the purchase of silver bullion and the coinage of silver dollars until they should be required by the business of the country. This is the same question now pending, but under circumstances of greater urgency.

The President enlarged fully upon this vital subject and has adhered to his opinions tenaciously. He was reëlected with full knowledge of these opinions and now, no doubt, will soon again press them upon Congress. The efforts made to carry into effect the policy of the President will be more fully stated hereafter. He closed his message by calling attention to the law relating to the succession to the presidency in the event of the death, disability or removal of both the President and Vice President, and his recommendation has been carried into effect by law. In conclusion he said:

"I commend to the wise care and thoughtful attention of Congress the needs, the welfare, and the aspirations of an intelligent and generous nation. To subordinate these to the narrow advantages of partisanship, or the accomplishment of selfish aims, is to violate the people's trust and betray the people's interests. But an individual sense of responsibility on the part of each of us, and a stern determination to perform our duty well, must give us place among those who have added, in their day and generation, to the glory and prosperity of our beloved land."

The Secretary of the Treasury, Daniel Manning, in his report to Congress, amplified the statement made of the receipts and expenditures of the government and gave estimates for the then current and the next fiscal year. He was much more explicit than the President in his statement of reform in taxation. He expressed more at length than the President the objections to the further coinage of the silver dollars. He stated the superior convenience of paper money to coins of either gold or silver, but that it should be understood that a sufficient quantity of actual coin should be honestly and safely stored in the treasury to pay the paper when presented. He entered into an extended and interesting statement of the coinage of both silver and gold, the history of the two metals as coined in this country and the necessity of a monetary unit as the standard of value. His history of the coinage of the United States is as clear, explicit and accurate as any I have read.

On the 12th of December, 1885, I received from Governor Hoadley an official letter notifying me, as president of the Senate, that a marble statue of General Garfield had been placed in the hall of the old House of Representatives, in pursuance of the law inviting each state to contribute statues of two of its eminent citizens, and saying:

"It is hoped that it may be found worthy of acceptance and approval as a fit contribution from this state to the United States, in whose service President Garfield passed so much of his life and whose chief executive officer he was at the time of his death."

On the 5th of January, 1886, I submitted to the Senate, in connection with Governor Hoadley's letter, concurrent resolutions returning the thanks of Congress to the Governor, and through him to the people of Ohio, for the statue, and accepting it in the name of the nation. In presenting these resolutions I expressed at considerable length the estimate of the people of Ohio of the character and public services of Garfield, and closed as follows:

"The people of Ohio, among whom he was born and bred, placed his image in enduring marble in the silent senate of the dead, among the worthies of every period of American history, not claiming for him to have been the greatest of all, but only as one of their fellow-citizens, whom, when

living, they greatly loved and trusted, whose life was spent in the service of his whole country at the period of its greatest peril, and who, in the highest places of trust and power, did his full duty as a soldier, a patriot, and a statesman."

The resolutions were then adopted.

The legislature of Ohio that convened on the 3rd of January, 1886, was required to elect a Senator, as my successor, to serve for six years following the expiration of my term on the 4th of March, 1887. The Republican members of the legislature held an open joint caucus on the 7th of January, and nominated me for reëlection, to be voted for at the joint convention of the two houses on the following Tuesday. The vote in the caucus was unanimous, there being no other name suggested. The legislature was required to meet an unexampled fraud at the recent election, practiced in Hamilton county, where, four Republican senators and eleven Republican members had been chosen. A lawless and desperate band of men got possession of the ballot boxes in two or three wards of the city of Cincinnati, broke open the boxes and changed the ballots and returns so as to reverse the result of the election of members of the legislature. These facts were ascertained by the finding and judgment of the circuit and supreme courts, but the supreme court held that the power to eliminate such frauds and forgeries did not reside in the courts but only in the senate and house of representatives of the state, respectively. Each house was the judge of the election of its members. This palpable and conceded fraud had to be acted upon promptly. The house of representatives, upon convening, appointed a committee to examine the returns, and on the fifth day of the session reported that the returns were permeated with fraud and forgeries, and that the persons elected and named by the committee were entitled to seats instead of those who held the fraudulent certificates of election. Without these changes the Republican majority was three on joint ballot. The report was adopted after a full and ample hearing, and the Republican members were seated.

In the senate a committee was also appointed and came to the same conclusion. The senators holding the fraudulent

certificates claimed the right to vote on their own cases, which was denied by Lieutenant Governor Kennedy, the presiding officer, and the Republican senators were awarded their seats, but this did not occur until some months after the election of United States Senator, which took place on the 13th of January, when I was duly elected, receiving in the senate 17 votes and Thurman 20, and in the house 67 votes and Thurman 42, making a majority of 22 for me on joint ballot.

I was notified at Washington of my election and was invited to visit the legislature, members of the senate and house of both parties concurring. It so happened that at this time I had accepted an invitation from President Cleveland to attend a diplomatic dinner at the White House. I called upon him to withdraw my acceptance, and, on explaining the cause, he congratulated me on my election.

The reception by the two houses was arranged to be at 4 o'clock p. m. on the day after the election. I arrived in Columbus at 3:30, and, accompanied by Governor Foraker and a committee of the two houses, proceeded immediately to the hall of the house, where the legislature and a great company had assembled. I was introduced by Lieutenant Governor Kennedy. George G. Washburn delivered an eloquent address of welcome in behalf of the legislature, closing as follows:

"Your return to the Senate in 1881was only additional evidence of our continued confidence and esteem, and on this, the occasion of your fifth election to that honored position, I tender you the hearty congratulations of the general assembly and of the citizens of this great commonwealth. Conscious that you have rendered far greater service to the people of your native state than it will be possible for them to repay by any honors they can confer upon you, I again bid you a most cordial welcome and invoke the continued guidance and protection of the same Almighty Being who has led you thus far to well merit the exalted title of 'good and faithful servant.'"

After the applause which followed Mr. Washburn's address had subsided, I responded in part as follows:

"My first duty on this occasion, after the magnificent reception you have given me, is to express to you my profound sense of the high honor you have conferred upon me. I have often, in a somewhat busy life, felt how feeble were words to express the feelings of the heart. When all has been said that one can say, there is still something wanting to convey an adequate

expression of gratitude and obligation. This I feel now more than ever before, when you have selected me for the fifth time to serve as a Member of the Senate of the United States.

"Such trust and confidence reposed in me by the people of Ohio, through their chosen representatives, imposes upon me an obligation of duty and honor, more sacred than any words or promises can create.

* * * * * * * * *

"And now, gentlemen, for the future term of service to which you have elected me, I can only, with increased experience, do what I have done in the past, and, with every motive that can influence any man, seek to preserve the favor and confidence of a people as intelligent as any on the face of the globe.

"As many of you know, I did not seek reëlection to the Senate. I sincerely felt that there were many citizens of the State of Ohio of my political faith who might rightfully aspire to the dignity of the office of Senator of the United States. I was very willing to give way to any of them, but you have thought it best to continue me in this position. It comes to me without solicitation or intrigue, or any influence that is not honorable to you and to me. I trust it will not prove injurious to any portion of the people of the State of Ohio, whether they agree with me in political opinions or not.

"I accept the office as a trust to be performed under the active vigilance of political adversaries and the partial scrutiny of friends, but with the sole object of promoting the honor and prosperity of the United States. I can have no motive of selfishness or ambition to turn me from a faithful performance of every duty attached to the office.

* * * * * * * * *

"I assure you, gentlemen, that, without recalling that I am elected by a party, I will go back to Washington with the earnest desire to perform the duties that you have assigned me, with the hope to contribute, to the best of my abilities, not merely to the success of my party, but to the good of the whole country.

"To me the national government in our system is the *father*, the protector of our national honor, our defender against enemies at home and abroad, while the state is the *good mother* who guards sacredly the home, the family and the domestic interests of life, to be beloved by every good citizen of the state, the fountain and source of the greatest blessings of domestic life. Ohio can justly claim to be the equal of any other in the sisterhood of states, central in location, rich in resources, the common pathway of all the states, containing over three millions of people as happy in their surroundings as those of any community in the world. We must do our part to advance and improve our condition by wise legislation and by the moral influences of education and religion. In this way only can Ohio sustain her high and honorable standing as a part of a great country, eloquently and truly described by Canon Farrar as 'in numbers the greatest, in strength the most overwhelming, in wealth the most affluent, of all the great nations of the world.'"

My speech was well received by both Democrats and Republicans.

In the evening a general reception of ladies and gentlemen was held in the senate chamber, when hand-shaking and social congratulations occurred, participated in by citizens of Columbus and other places. The next day I returned to Washington.

I observed closely the course pursued by the press of the country in respect to my election. As a rule it was received with favor by papers of both parties. The election of a Senator of the United States by such frauds as had been practiced by Democrats in Cincinnati would be a bad example that might be followed by other crimes, violence or civil war. The weakness in our system of government is likely to be developed by a disputed election. We touched the line of danger in the contest between Hayes and Tilden. Some guards against fraud at elections have since been adopted, notably the Australian ballot, but the best security is to impress succeeding generations with the vital importance of honest elections, and to punish with relentless severity all violations of election laws.

During this Congress, by reason of my position as presiding officer, I participated only occasionally in the current debate, introduced only private bills, and had charge of no important measure.

Mr. Eustis, on the 8th of February, introduced a resolution instructing the committee on finance to inquire whether it had been the custom for the assistant treasurer at New Orleans to receive deposits of silver dollars and at a future period issue silver certificates therefor. This led to a long and rambling debate, in which I took part. I stated my efforts, as Secretary of the Treasury, and those of my successors in that office, to put the silver dollars in circulation; that they were sent to the different sub-treasuries to be used in payment of current liabilities, but silver certificates were exchanged for them when demanded. Also, when gold coin or bullion came into the United States in the course of trade, and was inconvenient to transport or to use in large payments for cotton or other products, the treasurer of the United States, or his assistants in all parts of the country, issued silver certificates in

exchange for gold, that in this way the coin reserve in the treasury was maintained and increased without cost, that during one season $80,000,000 gold was in this way acquired by the treasury. I could have said later on, that, until within three years, when the receipts of the government were insufficient to pay its current expenditures, there was no difficulty in securing gold and silver coin in exchange for United States notes, treasury notes and silver certificates. The greater convenience of paper money in large commercial transactions created a demand for it, and gold and silver were easily obtained at par for all forms of paper money issued by the government. The exchange was temporarily discontinued by Secretary McCulloch. It is a proper mode of fortifying the gold reserve and ought to be continued, but cannot be when expenditures exceed the revenue, or when there is the slightest fear that the treasury will not be able to pay its notes in coin.

On the 8th of March John F. Miller, a Senator from California, died, and funeral services were conducted in the Senate on the 13th, when I announced that,

"By order of the Senate, the usual business will be suspended this day, to enable the Senate to participate in the funeral ceremonies deemed appropriate on the death of John F. Miller, late an honored Member of this body from the State of California."

The services were conducted in the Senate Chamber by Rev. William A. Leonard, rector of St. John's church, the chaplain of the Senate, Dr. Huntley, pronouncing the benediction, after which the following statement was made by me, as president of the Senate:

"The funeral ceremonies deemed appropriate to this occasion in the Senate Chamber are now terminated. We consign all that is mortal of our brother to the custody of an officer of the Senate and a committee of its Members, to be conveyed to his home on the Pacific, and there committed for burial to those who have honored him and loved him so much when living. The Senate, as a body, will now attend the remains to the station."

Mr. Miller was highly esteemed by his associates in the Senate. He was born in Indiana a few miles from Cincinnati, Ohio. After graduating as a lawyer he went to California, in 1853,

but returned to his native state, and at the outbreak of the war entered the Union army with the rank of colonel. That he was a gallant soldier is shown by the fact that on his return to Indiana, at the close of the war, Governor Morton presented him a sword which he had promised the soldier of the state who distinguished himself most and reflected the greatest credit on his state and country. At the close of the war he returned to California, and, after a few years, was elected, by a Republican legislature, to the United States Senate. He was not a frequent or lengthy speaker, but was a man of thought, of attention, of industry and practical sagacity, and brought to every question patient and persistent energy and intelligence. In his manner he was quiet, dignified and courteous. For years he suffered greatly from wounds received in the war, which no doubt shortened his life. He held the position of chairman of the committee on foreign relations, to which I succeeded him.

During April and May interstate commerce was the subject of an extended debate in which I participated. Amendments to the bill passed two years previously, involving "the long haul and the short haul" and whether Congress should attempt to legislate as to transportation within a single state, were debated, and no problems of legislation have been more difficult. The Interstate Commerce Commission organized under these laws was invested with extraordinary powers and its action has been beneficial to the public, but in many cases has seriously crippled many railroad corporations, and bankrupted some of them.

During the latter part of this session I was called upon to perform a very disagreeable duty. The election of my colleague, Mr. Payne, as a Member of the Senate, after an active contest with Mr. Pendleton, gave rise to charges of corruption, not against him personally, but against those who had charge of his canvass in the legislature. The succeeding legislature of Ohio was Republican and undertook to examine these charges by a committee of its house of representatives. The charges made and the testimony taken were sent by the house to the Senate of the United States, with a resolution requesting

further examination and that the election be vacated. The papers were referred to the committee on privileges and elections, the majority of whom reported that the charges were not proven, and asked that the committee be discharged from further consideration of the matter. The minority of the committee reported in favor of the inquiry proposed. I felt it to be my duty to the people of Ohio to insist upon an investigation, but in no spirit of unkindness to my colleague. It was the first and only time I had occasion to bring before the Senate the politics of Ohio. My relations with Mr. Payne were friendly. I knew him, and respected him as a prominent citizen of Cleveland and as regarded well by his neighbors. I believed that whatever corruption occurred at his election he had no personal knowledge of it, and that his honor would not be touched by the testimony to be produced.

On the 22nd of July I made a long speech upon the report of the committee, reviewing the evidence presented by the Ohio legislature and insisting that it was ample to justify and require a full and thorough examination by the committee. I disclaimed any desire to reflect upon the motives, or the honor, or the conduct, or the opinions, of the Senators who differed with me, saying:

"I believe from my own knowledge of the history of events in Ohio, as well as from the papers sent to us, that there is a profound conviction in the minds of the body of the people of Ohio of all political parties that in the election of my colleague there was gross corruption, by the use of large sums of money to corrupt and purchase the votes of members of the general assembly.

"Now, that is a fact. Whether sufficient evidence has been produced before you to justify this belief it is for you to say. Whether sufficient has been said here to put you upon an inquiry, the fact remains that the people of Ohio believe, that in the election of my colleague, there was the corrupt use of money sufficient to change the result."

I then entered upon the details of the charges and testimony submitted to the committee, and concluded as follows:

"It is not sufficient for us to state that the case made by this printed testimony is not strong enough to convict. It is a question whether it is sufficient to excite a suspicion, because upon a suspicion a Senator's seat and his right to hold his seat here may be inquired into. Therefore, with due

deference to the distinguished and eminent gentlemen who treat this case as if we were now passing upon the guilt or innocence of an accused with the view of a lawyer and the strictness of a lawyer, it seems to me they have confounded the stage of this inquiry. It is now an inquiry only in the hands of a committee of our body to advise whether or not, in these papers or in any that can be produced, there is cause for investigation, or whether there is reasonable and probable cause that can be produced. If so, then the inquiry goes on. The final judgment, however, is only arrived at when we shall have completed testimony of a legal character, when, with grave and deliberate justice, and with the kindness that we always give to our colleagues here, we proceed to render our judgment.

"I have said more than I intended to say when I rose. I will now add, in conclusion, that I consider that I perform a duty to my state, and especially to the party that I represent here, and all we can say to you is that we have believed and do now believe, mainly upon the statements made by Democratic editors and Democratic citizens, for they know more about it than we do, that upon the belief generally held in the State of Ohio that fraud and corruption did supervene in this election we ask you to make such inquries as will satisfy your conscience whether that charge is true or false. If it is true, you alone are the judges of it. If it is false, then you should punish the men who started these charges and you should vindicate the men who have been unjustly arraigned.

"In any view I can take of it, I believe it is the duty of the Senate of the United States, as it regards its own honor and the future of our country, never to leave this matter in its present condition, to be believed by some and disbelieved by others, to be made the subject of party contest and party chicanery, but let us have a fair, judicial, full investigation into the merits of these accusations. If they are false, stamp them with the brand of ignominy; if they are true, deal with the facts proven as you think is just and right."

The debate upon the report attracted much attention and was participated in by many Senators. The motion of the majority of the committee was adopted by the vote of 44 yeas and 17 nays. The Senate thus denied that the case made by the legislature of Ohio did justify an inquiry into the election of Senator Payne. He filled out the measure of his term and still lives at his home in Cleveland, honored and respected, at the age of eighty-five.

Congress adjourned August 5, 1886.

I had been invited to deliver an address, upon the celebration of the sixty-fourth anniversary of the birth of General U. S. Grant, at the Metropolitan church in Washington on the 27th

of April, 1886. The text given me was "Grant and the New South." As this brief speech expressed my appreciation of the character of General Grant soon after his death, and my presage of the new south, I insert it here:

"LADIES AND GENTLEMEN:—Our friends have given me a very great theme and very little time in which to present it to you. The new south is one of the mysteries which time only can unfold. It is to us, and, I fear, will be for generations to come, one of those problems which tax the highest abilities of statesmen. It is like the Irish question to England and the Eastern question to Europe. We can only judge of the future by the past. I can base my hope for the new south only upon the probable results of the changed conditions grafted upon the old south by the war; more a matter of hope and expectation than as yet of realization. Still we may hope very much even from the present signs of the times and upon what the south ought to be if not upon what it is.

"We know what the old south was. It was an oligarchy called a democracy. I do not speak this word in an offensive sense, but simply as descriptive of the character of the government of the south before the war. One-third of the people of the south were slaves. More than another third were deprived, by the nature of the institutions among which they lived, of many of the advantages absolutely indispensable to the highest civilization. Less than one-fourth of the population were admirably trained, disciplined and qualified for the highest duties of manhood. The south was very much such a democracy as Rome and Greece were at some periods of their history; a democracy founded upon the privileges of the few and the exclusion of the many. Very much like the democracy of the barons of Runnymede, who, when they met together to dictate Magna Charta to King John, guarded fully their own privileges as against the king, but cared but little for the rights of the people. And so with the south—the old south. But it was an able oligarchy.

"Among the brightest names in the American diadem were many men of the south—at the head of whom, and at the head of all mankind, was the name of Washington. And so, in all our history, the south, misnamed a democracy, did furnish to the United States many of their leading lights, and the highest saints in our calendar. They were able men. All who came in contact with them felt their power and their influence. Trained, selected for leading pursuits, they exercised a controlling influence in our politics. They held their slaves in subjection and the middle classes in ignorance, but extended their power and influence, so as to control, in the main, the policy of this country, at home and abroad. They disciplined our forces, led our parties, and made our law.

"General Grant, in the popular mind, represents the impersonation of the forces that broke the old south. Not that thousands of men did not do as much as he within the limits of their opportunities. Not that every soldier

who followed his flag did not perform his duty in the same sense as General Grant. But General Grant was the head, the front, the selected leader; and therefore his name is the impersonation of that power in the war which broke the old south, and preserved our Union to your children, and I trust your children's children, to the remotest posterity. But, while we praise Grant and the Union soldiers, we must remember that Abraham Lincoln was the genius of the times. He pointed out the way. He foresaw the events that came. He did not like war. He hated war. He loved the south as few men did. He was born of the south—in his early life reared in the south. All his kin were in the south. He belonged to that middle or humble class of men in the south who were most seriously oppressed by all their surroundings — by the slavery of the south. He hated slavery, if he hated anything, but I do not believe he hated the owners of slaves. He loved all mankind. No man better than he could have uttered those words: 'Malice towards none, charity for all.' That was Abraham Lincoln. He was driven into the war reluctantly. At first, he tried to prevent it, and would not see the necessity for it. He ridiculed it, and believed that the time would speedily come when all the excitement springing up in the south would pass away.

"But the inevitable and irrepressible conflict was upon him, and he met the responsibility with courage and sagacity. A higher power than Abraham Lincoln, a power that rules and governs the universe of men, decreed the war as a necessary and unavoidable event, to prepare the way for a new south and a new north, and a more perfect Union. The war did come as a scourge and a resurrection. Grant was the commander of the Union armies, and at the close of the war more than what we had hoped for at the beginning was accomplished. When the war commenced no man among those in public life contemplated or expected the speedy abolition of slavery in the District of Columbia, and in the United States of America. I can say that, the winter before the war commenced, no man in public life in Washington expected the untold benefits and good that have come to mankind as the result of the war, by the Act of Emancipation—unforeseen then, but thankfully appreciated now, by the whole American people; even by the masters of the slaves.

"Now fellow-citizens, the new south is founded upon the ruins of the old. It inherits the prejudices, the institutions and some of the habits of the old south. No wise man will overlook this, and should not expect that the southern people will at once yield to the logic of events; but every patriotic man ought to do his utmost to bring about, as soon as possible, a cheerful acquiescence in the results of the war. You cannot in a single generation, much less a single decade, change the ideas of centuries. And, therefore, we must not be impatient with the new south. And we who come from the north must not expect them at once to lay aside all ideas with which they were born and which they inherited from their ancestors for generations. Therefore, it was to be expected that the south would be somewhat disturbed, and would be somewhat slow in their movements; that it must be born again

and live an infancy and take its ordinary course in human life. It must grow as Topsy grew. Remember, at that time, before the war, this country was a confederacy, not of states, but a confederacy of sections. There were but two parties to that confederacy, one was the north and the other was the south. On every question, great and small, that division in American life and American politics arose. Before the war and during the war party lines were drawn on the sectional line, north and south. The parties in this country were sectional parties, and even up to this time we have not broken down the asperity which existed, growing out of this sectional condition of affairs.

"Now that slavery is gone, parties ought to be based on other conditions than sectional lines. There is no question now existing between the north and the south, and politicians will soon find that they must base their divisions of party lines upon some other question than between the north and the south. I see growing up every day the evidence of that feeling that this sectional controversy is at an end. Although the ghost is not buried—the dead body lies mouldering in the grave.

"What then, is the first duty of both sections, now that slavery is abolished. It is to base party divisions upon other than sectional lines. It is to adopt a policy approved by the patriotic men of both sections, that will develop the resources, improve the conditions, and advance the interests of the whole people. The north is ready for this consummation. There never was a time in the history of this government, from the time the constitution was framed to this hour, when there was less party spirit among the mass of the people of the United States. Nearly all that is left is among mere politicians. The people of the United States desire to see these differences buried, and new questions, living questions of the present and future, form the line of demarkation between parties. The north has made enormous growth and development since the war. Immense capital is seeking investment, and millions of idle men are seeking employment. The south, from a state of chaos, is showing marked evidence of growth and progress, and these two sections, no longer divided by slavery, can be united again by the same bonds that united our fathers of the revolution.

"Now, ladies and gentlemen, let me state briefly the conditions upon which the new south can secure the greatest amount of good for its people —conditions that can be accepted by men who served in either army (who wore the blue or the gray), both Confederate and Union soldiers. If these elemental conditions are accepted fairly, as I hope they will be by the south, the union will be complete without either north or south or sectional or party lines.

"First, there must be recognized in every part of this country, without respect to race or color or condition, the equality of rights and privileges between man and man. This fundamental principle is now ingrafted upon our constitution. It can never be erased. There it stands; and although, from time to time, parties and men may refuse to observe the spirit of that great provision in the constitution, there it will stand, and in time—and I

trust a not far distant time—it will be recognized by every man and woman and child in this broad land, white or black, north or south. It is not safe for it to be otherwise. A right plainly given by the constitution and the laws, withheld or denied, is an uneasy grievance which will never rest. And, therefore, the time is not far distant, when those now strongly actuated by the prejudices and feelings of race will recognize this important doctrine. They will feel that it is for their own safety and for their own good. Blacks and whites are spread all over the south. They cannot be separated without the fiat of the Almighty, and such a fiat has never been issued except once, when the Israelites marched out from slavery in Egypt, and it took them about forty years to travel a short way.

"One-third of the population of the south is of the negro race, and two-thirds of the white race. Whatever may have been thought of the wisdom of the policy of emancipation, it was the logical result of the war, has been finally adopted, and will never be changed. It is idle to discuss schemes to separate these races except by voluntary and individual movement, but they will live and increase, generation after generation, the common occupants of the new south. What is needed above all else is to secure the harmonious living and working of these two elements, to secure to both the peaceful enjoyment of their rights and privileges. As long as any portion or race or class of the people of the new south are deprived of the rights which the constitution and law confer upon them, there will be unrest and danger. All history teaches us that those who suffer a wrong will sooner or later find means to correct and avenge it.

"There is another condition that the new south must find out. The honorable gentleman who preceded me (Senator Brown) has found it out already. The system of production which was admirably adapted to the old south will not answer for the new south. Under the old institution of slavery they raised a few leading crops, cotton, rice, sugar and tobacco—but not much else. Why? Because these articles could be raised by the labor of slaves.

"Now, in the new south, it is manifest that the chief sources of wealth and prosperity lie in the development of their natural resources, in the production of coal and iron and other minerals and phosphates, and in the manufacture of cotton and other textile fabrics, and in the development of railroads and other means of communication. In other words, they will find it to their interest to adopt and compete with the north in all its industries and employments. That this can be successfully done is shown in Alabama, Georgia, Tennessee, North Carolina and Virginia. All the states touching on the Allegheny range have facilities for varied manufactures fully equal to any of the northern states, and with some advantages as to climate and labor. A diversity of production will be wealth to the south, break down its exclusion, open its doors to immigration, and assimilate its institutions with those of the north.

"The north is ready for this competition. Although the south will probably deprive us of some of the markets we now have, yet no man in the

north will complain; but, on the contrary, we have in the north millions of dollars in capital to invest, and millions of hardy men to work north or south, wherever they can get fair wages for a fair day's work. When this competition comes we will have a diversity of industry, and a country rich in developed as well as in undeveloped resources. This is the second great want of the new south which I trust their able men may bring about; and Governor Brown is one of their leaders, and has seen that this is the road not only for the improvement of his section, but for the betterment of his fortune.

"There is one other thing I wish to say in regard to the south. That is, that it must mainly work out its own salvation. That is one of the last things that we in the north have found out. We have striven in various ways to assist the south in managing their local affairs; and I must confess that although I participated in that kind of business I am afraid it did not turn out very well. The north cannot rule the south any more than England can rule Ireland, or Europe can govern Greece and Turkey. According to the principles of our government it is not possible for us to keep soldiers enough down south to guard all their ballot boxes, and indeed we need a good many up north to guard our own sometimes. At all events it is not consistent with the principles of our government that we should undertake to rule in local affairs, and, therefore, while we should give to those who are oppressed, in our own country as well as in others, every kindly aid which the constitution and the law allow, yet, after all, the people of the south must work out their own salvation.

"I am inclined to think that the blacks, having the labor and the muscle and industry on their side, will not be far behind the white race in the future in the south. It is now conceded on all hands that, under our system of government, we cannot by external force manage or interfere with the local affairs of a state or community, unless the authorities of the state call for aid to resist domestic violence. Wrongs inflicted upon citizens by mobs are beyond redress by the general government. The only remedy is migration and public opinion; but these, though slow and very discouraging, will in time furnish a remedy and also a punishment. Neither capital nor labor, prosperity nor hope, will go or linger long where human rights and life are unsafe. The instinctive love of justice and fair play will, in time, dissipate the prejudice of race or caste and point the finger of scorn to the man who robs another of his rights, as it now does to the man who cheats, or steals the property of his neighbor. With the power of the colored people to migrate, whenever they are unjustly treated, to a place where law and justice prevail, with the capacity for labor and to acquire property, with reasonable opportunity for education, they will in time make sure their rights as citizens. I believe this is the growing feeling in the new south. I am willing to trust it, and I will be glad to aid it whenever and wherever I can see the way.

"What the new south wants now more then all else is education! education!! education!!! The statistics with which we have been made familiar

recently in the debate in the Senate, of illiteracy in the south, are appalling, but not much more so than was the condition of the western states fifty years ago. The negroes being slaves were, of necessity, without education. The great mass of the white people were in the same condition, not because it was desired in the south, but because, from the sparseness of the population and the existence of plantations instead of farms, it was difficult to establish a system of public schools. A change in this respect cannot be brought about suddenly, but it is apparent that every southern state appreciates the importance of education of both white and black. It is the bounden duty of the national government to extend the aid of its large resources. If the action of the Senate is sanctioned by the House, and fairly and justly executed by the people of the southern states, there need be no danger from the ignorance of the next generation. I believe that these conditions will be the solution of the troubles of the south and make a great step on the road to prosperity and union in the south.

"Now, but a few words in conclusion. It is not merely common school education in the south that is needed, but it is higher education. It is all the learning of the schools, all that science has taught, all that religion teaches, all that medicine has found in its alchemy, all the justice which the law points out and seeks to administer; the south wants opportunity for that higher education which cannot be obtained from common schools, but which exists in no country except where common schools abound. It wants in its midst the places where the active leading young men of the south can gather in colleges and universities and there gain that higher education which prepares them to be leaders among men.

"I congratulate you, my countrymen, here in Washington, that, under the authority of the Methodist Episcopal church, a Christian denomination, under the name of the illustrious hero General Grant, there has been founded in the mountains of Tennessee, away up among the clouds and in the pure air of Heaven, in the midst of a loyal and patriotic population, an institution of learning which will be a blessing to all the people of the south, and I trust to all the people of the north. Every aid possible should be showered from the north and south alike. Let them light their fires at this modern Athens upon the mountain top and they will shine forth all over our land. Here the young men of the south will fit themselves to lead in the march of progress and improvement. They will learn to vary their production, to develop their resources, to advance every race and generation in education, intelligence and patriotism, and with charity broad enough to secure all their people, of every race and tribe, the peaceful and unquestioned enjoyment of their civil and political rights. There is now no disturbing question of a sectional character which should prevent the north and south from moving in harmonious union. The two streams have united, and though for a time their waters may be divided by the color line, like the Mississippi and the Missouri at and after their junction, yet, in the end they will mingle in a great republic, not of sections, but of friendly states and a united people."

I attended a meeting of the members of the Ohio Society of New York, on the occasion of their first annual dinner at Delmonico's, on the 7th of May. It was a remarkable assemblage, composed almost exclusively of men born in Ohio, then living in New York, all of whom had attained a good standing there, and many were prominent in official or business life. There were over two hundred persons present. Thomas Ewing was president of the society, and Mr. Payne and myself sat on either side of him. I insert the remarks of General Ewing and myself as reported in the papers the next morning. Many speeches were made by others, including Senators Payne and Harrison. General Ewing, after the dinner had received ample attention, called the company to order and made a brief address, which was repeatedly applauded. He said:

"I hail and congratulate you, guests and members of the Ohio Society of New York, on our delightful and auspicious reunion. It is good that we are here. This large assemblage of Ohio's sons, coming from far and near, attests how strong and vital are the ties that bind us to our mother state. We have every reason to love and be proud of her. If American citizenship be a patent of nobility, it adds to the honor to have been born of that state which, almost in the forenoon of the first century of her existence, has shed such luster on the republic; which has given to it so long a roll of Presidents, chief justices, judges of the Supreme Court and statesmen in the cabinet and in Congress—among whom is found not one dishonored name, but many that will shine illustrious in our country's annals forever; a state which, in the supreme struggle by which the Union was established as indissoluble and the plague of human slavery destroyed, gave to the republic even more than her enormous quota of noble troops, and with them those great captains of the war: Grant, Sherman, Rosecrans, McPherson.

"Gentlemen, we have not formed our society from a desire to culture state pride in any spirit of divided allegiance. No, no! There has been far too much of that in the past, and can't be too little in the future. We are first Americans—then Buckeyes. The blessings and misfortunes of our sister states are ours as well as theirs. The love of our own state and pride in her history spring largely from the fact that she and her institutions, in birth and growth, are purely American. She is the oldest and, so far, the best developed of all the typically American states. Neither Roundhead nor Cavalier stood sponsor at her cradle. She never wore the collar of colonial subserviency. Her churches and colleges are not endowed of King Charles or Queen Anne. Her lands are not held by grant or prescription under the Duke of York, Lord Fairfax or Lord Baltimore, but by patents under the seal of the young republic and the hand of George Washington,

whose name will continue to be loved and honored throughout the world long after the memory of the last king and peer of Great Britain shall have sunk in oblivion.

"The early generation of her sons were not reared amid distinctions of wealth and rank and class, but in the primeval forest and prairie, where all stood equal and had no aid to eminence but strenuous efforts; where recollections of the sufferings and sacrifices of Revolutionary sires became inspirations of patriotism in their sons; and where nature threw around all her pure, loving and benignant influences to make them strong and great.

"Gentlemen, I now have the pleasure to present you a typical Buckeye —the architect of his own fame and fortune—who stands below only one man in the republic in official station, and below none in the respect of his countrymen—John Sherman."

As General Ewing closed, there was a tumultuous scene. There were repeated cheers, and Colonel W. L. Strong called for three cheers in my honor, which were given. When I could be heard, I spoke as follows:

"Mr. President, Brethren All:—I give you my grateful thanks for this greeting. If you receive every Buckeye from Ohio in this manner, you will have the hordes of Ararat here among you. Such a reception as this, I think, would bring every boy from every farm of the State of Ohio, and what would become of New York then? You have gathered the sons of Ohio, and those who have been identified with its history, into a social society where you may meet together and preserve and revive the recollections of Ohio boyhood and Ohio manhood. Why should you not do this? Why should you not have an Ohio society as well as a New England society, or any other kind of society? Our friends and fellow-citizens from old England's shore, from Ireland and Scotland and Germany, form their societies of the city of New York; and why should not the State of Ohio, more important than any of these countries be thus represented?

"Now, gentlemen, there is one characteristic of Ohio people which has marked them from the beginning of their history, and marks them now. We are a migratory race. We are the Innocents Abroad. No Arab in his tent, restless and uneasy, feels more uncertain and movable than a man from Ohio, who can better his condition anywhere else. We are a migratory race, and why should we not be? Do we not deserve the best of every land? When we go to any other country, we don't go to rob them of anything, but to add to their wealth. If I want to prove that Ohio people are migratory, what better evidence can I have than is afforded by the men who are here around me? Here is my friend, General Ewing, born in one of the garden spots of Ohio, under circumstances when it would be supposed that he ought to be content with his lot; but he goes walking off to Kansas, and then to the war, and then into Washington, and finally settles down near

New York here, under the shadow of the Sage of Greystone! Among others here around me I see a grandson of old William Henry Harrison. I see here innumerable representatives of the Puritan fathers, with all the virtues of the old fathers and some besides. I see here representatives not only of Virginia and New England, but of New Jersey, New York and Pennsylvania—all from Ohio.

"My countrymen, in the early days Ohio was the camping ground of all the old states. Ohio is the first fruit of the Federal Union. It is true that Vermont and Kentucky and Tennessee were admitted into the union of these states before Ohio was, but they were offshoots of New York and Virginia, while Ohio was the first fruit of that great commonwealth. Every state of the old states had a camping ground in the State of Ohio, either by reservation, by purchase or by settlement. Nearly all of the early descendants of Ohio were sons of Revolutionary fathers who came out to Ohio. They went there to redeem that land from a wilderness, and they made of Ohio the most prosperous, the richest and the fairest commonwealth the world has ever known. In Ohio was the beginning of that magnificent march of progress which adds luster to the history of the northwest, as an evidence of growth and progress unexampled in the previous history of mankind. Think of it, my countrymen! Within one hundred years, more than 30,000,000 people have grown up in a country once peopled alone by Indian tribes, and that 30,000,000 of people are among the most prosperous and powerful peoples of the whole world.

"I want to defend our Ohio people against another charge that is very often made against them, especially in this city of New York. They charge us with being fond of office. Why, my countrymen, I can show by statistics—and statistics never lie—that Ohio never had her fair share of the public offices. I have not brought any of the statistics with me, for fear some know-nothing might cry at our after-dinner speech 'Figures.' Still we never had our share of the public offices, or if we had we always filled them well, and performed our duties honorably.

"Now, gentlemen, only one or two other thoughts, and then I will leave you. In the early times, migration was always to the westward. Nobody thought of coming east. Therefore it is that out of the eight sons of Ohio who are now Members of the United States Senate, all moved westward; and out of some thirty or forty or fifty Members of the House of Representatives who were born in Ohio, and who didn't stay in Ohio—and they are only a small part of them—all went westward. The reason was that 'Westward the star of empire wends its way.' But latterly the star of empire seems to have settled about this city of New York, until now more than 200 Ohio men can sit down at an Ohio feast in the city of New York. There is another reason—there is more money in New York than anywhere else in the country. Not that our people have a fondness for money, but they have come here to better their condition—and I hope in God they will. They not only better their own condition, but the condition of all around

them, and I can pick out from all over this community, and from this little dinner party, men who came from Ohio poor, but with an honest endeavor to do what was best for themselves and their families, and here they are, rich and happy.

"One word more, worthy fellow-citizens. We love Ohio. We love Ohio as our mother who nurtured us and fed us in our infancy; and, under any circumstances, although we may hear ill of Ohio, we never fail to remember all that is good that can be said of Ohio, and to be true and honorable for the love of Ohio. But we love our country more, and no man from Ohio would ever be true to his mother unless he were more true to his country all around, from one end of the land to the other. Our country forever, from the Atlantic to the Pacific; from the Gulf of Mexico to the Canada line, and away around this continent in due time, when the pear will ripen and fall in this Federal Union; in the whole round of the country!

"I congratulate you upon this happy meeting, upon this successful feast, and I trust you may go on prospering and to prosper, until you will gather all the men of Ohio who are deserving of their nativity into the fold of this social union, not only that you may meet each other again as kinsmen born of the same soil, but that you may aid and assist each other, as other kindred societies have done, and I trust that the Ohio society, though the junior members at the table of these societies of New York, may yet be the foremost and leading members in charity and good works to the sons of Adam."

CHAPTER LI.

A Period of Political Speech Making.

Organization of the "Sherman Club" at Mansfield, Ohio — My Experiences with Newspaper Reporters — Address at the State Fair in Columbus on Agricultural Implements — Other Speeches Made in the Campaign of that Year — Address at Louisville, Ky., — Courteous Treatment by Henry Watterson of the "Courier Journal" — Hon. John Q. Smith's Change of Heart — Answering Questions Propounded by Him at a Gathering in Wilmington, Ohio — Success of the Republican Party — Second Session of the 49th Congress — But Little Legislation Accomplished — Death of Senator John A. Logan — Tributes to His Memory — His Strong Characteristics — My Reason for Resigning the Presidency of the Senate — Succeeded by John J. Ingalls.

AFTER the adjournment of Congress I returned home. I was not fatigued by the labors of the session, as the duties of presiding officer were lighter than those of an active Member on the floor. The usual canvass had already commenced for state officers and Members of Congress. A club called the "Sherman club" had been organized at Mansfield, and soon after my return having been invited to attend it, I did so, and made a brief political address. During this month I was visited by many interviewers, and while sometimes their calls were inopportune, yet I uniformly received them, answered their questions, and furnished them any information in my power. I knew that they were seeking information not for their own convenience, but to gratify a public interest, and, therefore, I was entirely willing to answer such questions as were put to me. The case was very rare where I was misrepresented, and then it was either unintentional or to brighten a story or to exaggerate a fact. I recall one interview in respect to courts of arbitration and the universal labor question. My opinions were expressed offhand, and, although not taken down at the time by the interviewer, my words uttered during an half hour's interview were quoted

with great exactness. I know this is not the common opinion in respect to the interviewer, and in some cases gross misrepresentations are made, but in the very few instances where this has occurred in my experience I have always carefully remembered the reporters who made them and declined any further interview with them.

The latter part of August, Judge Thurman and I were invited to make brief addresses at the state fair in Columbus. After he had spoken with his usual ability and directness, I made a speech mainly about new devices in agricultural implements. I said:

"From the fact that Judge Thurman and I have been invited to address you I infer that you did not expect us to tell you what we knew about farming. He has been recognized as a standard authority as to the law—not only as to what it is but as to what it ought to be—but I never heard that he was eminent as a farmer, either of the theoretical sort who know how things ought to grow, or of the practical sort who know how to make them grow. I have had more experience as a farmer than he has had, but somehow my crops always cost me more than I could get for them. If the many millions of farmers in the United States have had my experience in farming they would have to get more than seventy-five cents a bushel for wheat to make the two ends meet. Still, Judge Thurman and I have learned enough to know that farming is the chosen employment of a large proportion of the human race, and is, besides, the chosen recreation of nearly all who have been successful in other pursuits. Every lawyer especially, from Cicero to Webster, has delighted in the healthful pleasure of rural pursuits—and if they have not made their money by farming they have spent their money in farming—and have enriched the language of every age and clime with eloquent and beautiful tributes to this noblest occupation of man.

"Perhaps this is the reason you call upon lawyers to speak on occasions like this, when the varied products of the farm, in their rich profusion and excellence, are spread before us. Besides, it is the common opinion that lawyers can talk as well about things they don't know as things they do know—and on either side of the question, without respect to the merits or morals of the topic. Your worthy secretary, in inviting me to speak for a few minutes on this occasion, said that I was quite at liberty to choose the subject of my remarks. So I have chosen as my text a discovery I have made very much like that of Benjamin Franklin, who advised the people of Paris that he had made a great discovery—that being wakeful one morning he discovered that the sun rose at Paris at five o'clock, and that if they would rise with the sun and go to bed with the sun they would save an enormous sum—millions of francs—in the cost of candles and lamps, and greatly improve their health

and morals. So I have discovered that our farmers have become machinists, and, instead of working themselves, they make the horses, mules, and especially the machines, do nearly all the work of the farm.

"I have observed in the numerous fairs I have attended since they were first introduced in Ohio, and especially since the war, a marked change in the articles exhibited. Formerly the chief attraction was the varied exhibition of fruit, grain, cattle, horses, sheep, hogs, poultry—all the productions of the farm—and the chief benefit then derived from our state and county fairs was to excite competition in the size, excellence and abundance of these purely animal or agricultural productions. Formerly the tools and implements of husbandry were few, simple and plain, the chief of which were the plow, the scythe, the cradle, the sickle.

"Later by degrees there appeared new devices—new implements of husbandry—the mower, the reaper, the thresher, the binder, the sulky plow, an infinite variety of mechanical contrivances to make the labor of the farmer easier, or rather to dispense with a multitude of laborers, and substitute in their places the horse, the mule and the steam engine. In other words, to convert the business of farming from an agricultural pursuit, where the labor of men and women was the chief factor of production, to a mechanical pursuit, in which the chief element of cost and power were machines, the invention of a single generation.

"This striking change in an employment, which in all ages has been pursued by a greater number of human beings than any other, is shown in every fair now held in the United States, and especially in this."

I spoke of the changed condition of the farmer since Ohio was a new state, covered by a great forest, when the home was a cabin, and about the only implements were the plow and the axe, and then said:

"After what has been said by others, and especially so eloquently said by Judge Thurman, I need not express the high value I place upon the magnificent work of the state board of agriculture in preparing these grounds as a permanent place for the exhibition of the industrial products of Ohio, not only of the farm but of the workshop. It is this day dedicated by appropriate ceremonies for the use of the present and future generations of Buckeyes, and I hope, as time rolls on, there may be here exhibited, not only stock and grains and vegetables, not only ingenious machinery and inventions, but men, high-minded men and noble women, and that with the many advantages in education and culture secured to them by their ancestors they will maintain and advance with manly vigor and sturdy virtue the work of the generations before them, who have planted and founded here in Ohio a model republic."

I attended the Thirteenth Industrial Exposition at Music Hall, Cincinnati, on the 2nd of September, where fully six

thousand people were gathered. I entered the building with Governor Foraker, and we were received with rounds of applause and made brief remarks, the substance of which was reported, but I can only remember the magnitude of the audience and the difficulty of being heard. The city was crowded with men, women and children, all in holiday dress, and everybody in good humor at the success of the exposition. During September, and until the day of the election, I was engaged in making speeches. The one at Portsmouth, on the 28th of September, was carefully prepared and reported, and contained the substance of what I said in that canvass. It was a review of the political questions of the day. I always feel more at home in that part of Ohio than in any other. The river counties are associated with my early recollections and the people are uniformly generous and kind. With rare exceptions they have heartily supported me during my entire political life.

I attended a meeting conducted by the Blaine club in Cincinnati. The procession that marched through the streets was an immense one, and seemed to include all the men and boys in the city. The clubhouse, brilliantly illuminated, was surrounded by a great crowd, too large to hear the speeches, nor did it matter, for their enthusiasm and cheers showed that they needed no exhortation.

I attended a reception of the Sherman club of the 24th ward, at the head of which was my old friend, Governor Thomas L. Young. I there made a strong appeal for the election of Benjamin Butterworth and Charles Brown to Congress, the former being one of the ablest and most promising men in congressional life, and the latter a gallant soldier, who had lost a leg in the service of his country. I said:

"Their election is more important than anything else. The election of a Republican House of Representatives is of vital importance, because if we can have not only a Republican Senate, but a Republican House of Representatives, we will tie up Cleveland and his administration so that he and it can do no harm to anybody. If we can get a good Republican House of Representatives we will be able to maintain the system of protection of American labor, which is the pride and glory of the Republican party. We will maintain all these great measures of Republican policy which tend to develop our country, to increase its happiness, diversify its pursuits, and

build up its industries; to give you a good currency; to protect your labor; and generally to promote the common good and welfare of our common country."

At the invitation of the Republicans of Louisville, Ky., I went to that city. In the afternoon I made a short address at the laying of the corner stone of the new customhouse, and in the evening made a long political speech. It was my first visit there, and I was much gratified, as well as surprised, at the great numbers who attended a Republican meeting and the enthusiasm with which I was greeted. I referred to the long and intimate association of Ohio and Kentucky since the days of the Indian wars, when Kentucky sent her best and bravest men to fight the battles of Ohio, under Harrison and Taylor at Fort Meigs and Sandusky. In a later time, when Henry Clay was their favorite, Ohio steadily and heartily supported him, and now that the war was over, there was no reason why Kentucky and Ohio might not stand side by side in maintaining the principles of the Republican party. I said:

"You might naturally inquire why I came to the city of Louisville to make a Republican speech, when I knew that the majority of your population belong to a different school of politics, and that I could scarcely hope to make any impression upon the Democratic vote of the city of Louisville or the State of Kentucky. Still, I have always thought it strange that your people, who, through many long years followed the fortunes and believed in the doctrines of Henry Clay, should willingly belong to a party opposed to all his ideas, and I was curious to learn why the same great events that led the people of Ohio into the ranks of the Republican party should lead the people of Kentucky into the ranks of the Democratic party. It is to make this discovery that I come here to-night, and I will speak to you, not for the purpose of reviving past controversies, but to see whether, after all, the people of Ohio and Kentucky ought not now to stand side by side in their political action, as they did in the days of old.

"When approaching manhood I, in common with the people of Ohio, was in ardent sympathy with the political opinions of the people of Kentucky. I was reared in a school which regarded Henry Clay, John J. Crittenden, Thomas Ewing and Thomas Corwin as the brightest lights in the political firmament, chief of whom was Henry Clay. I need not remind a Kentucky audience with what pride and love your people followed him in his great career, and with rare intermissions supported and sustained him to the close of his life. And so, too, with John J. Crittenden, who represented the people

of Kentucky in both Houses of Congress, in the cabinet of two administrations, and, to the close of his eventful life in the midst of the Civil War, retained the confidence and support of the people of Kentucky. It may be said, also, that Thomas Ewing and Thomas Corwin, the warm and lifelong friends of Clay and Crittenden, represented the people of Ohio in the highest official positions, and that these great men, united in counsel, in political opinions and in ardent friendship, were the common standards of political faith to the people of these neighboring states.

"I had the honor to cast my first vote for Henry Clay for President of the United States, and supported him with all the natural enthusiasm of youth, and remember yet my sorrow when it was at last known that he was defeated. I also knew Mr. Crittenden from 1846, when, as a young lawyer, I visited Washington, and saw much of him in the later years of his life, I also held close personal relations with Mr. Ewing and Mr. Corwin since my early boyhood, and shared, as much as youth can share, the benefits of their council and confidence. I am justified in saying that during the memorable period of thirty years of political conflict through which we have passed, I have steadily adhered to the lessons they have taught, by supporting the measures adopted from time to time by the Republican party, while the majority of the people of Kentucky, with equal sincerity, no doubt, pursuing their convictions, have landed in the Democratic party. What I would like to find out is, whether it is you or I who have switched off from the councils of our political fathers, and whether the causes of this difference of opinion still exist."

I closed as follows:

"I freely confess that the great mass of the Democratic party are patriotic, law-abiding citizens, yet I believe the elements that control that party, especially in the northern states, are unworthy of the confidence and trust of a brave and free people, and that the Republican party, although it may not always have met the hopes and expectations of its friends, does contain within it the elements of order, safety, obedience to law and respect for the rights of others, with well-grounded principles of public policy, and can fairly be trusted again to manage our national affairs.

"My heartiest sympathies go with the gallant Republicans of Kentucky, who, in an unequal fight, have shown the courage of their race and the patriotism of their ancestors. Let them persevere in appealing to their neighbors for coöperation, and they can fairly hope that, as the passions of the war pass away, Kentucky will be, as of old, on the side of the Union, the constitution and the impartial enforcement of the laws.

"Is not this a good time to try the experiment of a Republican representative from the Louisville district? Our Democratic friends seem to be in a bad way about the choice of a candidate. If what the opposing factions say of their candidates is half true, you had better take shelter under a genuine and fearless Republican like Mr. Willson, who will be impartial to the factions and true to the great interests of American labor and American

production. Such a light shining from Louisville will be a star of hope, a beacon light of safety and prosperity to the extreme bounds of our country. Why not try the experiment? I hope that my visit among you will be a message of good will, and I thank you with all my heart for your kindly reception."

The "Courier Journal" was much more fair to me on this occasion than the Democratic papers in Ohio. In consequence of this I have always entertained a kindly feeling for its editor, Henry Watterson, who, notwithstanding his strong political opinions, is always bold, frank and courteous in his criticisms.

On my return from Kentucky I spoke to a large meeting at Wilmington, Ohio, on the 7th of October. I had frequently addressed meetings at that place and always received a very cordial and hearty welcome. It so happened that John Q. Smith, one of the leading citizens of Clinton county, who had been a Member of Congress, had changed his political relations and become a warm supporter of the administration of Cleveland. He had prepared a large number of questions, to be put to me, which were printed and scattered broadcast in handbill form. I was glad of the opportunity to answer his questions, as they gave me a text for a general review of a Democratic administration. I said that the handbill was issued by a gentleman whom I esteemed very highly, and for whom I had the greatest good will and friendship, one of their own citizens, who had served in the legislature and in Congress with credit, and had been a representative of our government abroad. I then read the questions one by one and answered them, and, as I think, clearly showed to the satisfaction of my hearers, that, although Mr. Smith was generally sound on other matters, he was a little cracked on the question of American protection. My answers were received with great applause by the audience, and I think my old friend made nothing by his questions.

After making a number of other speeches in Ohio, I spoke in Grand Rapids on the 18th of October; in Indianapolis on the 21st; at Fort Wayne on the 24th, and at the Academy of Music, Philadelphia, on the 27th. I closed my speaking in this campaign at Toledo on the 30th. The time of the fall elections had been changed to the first Tuesday after the

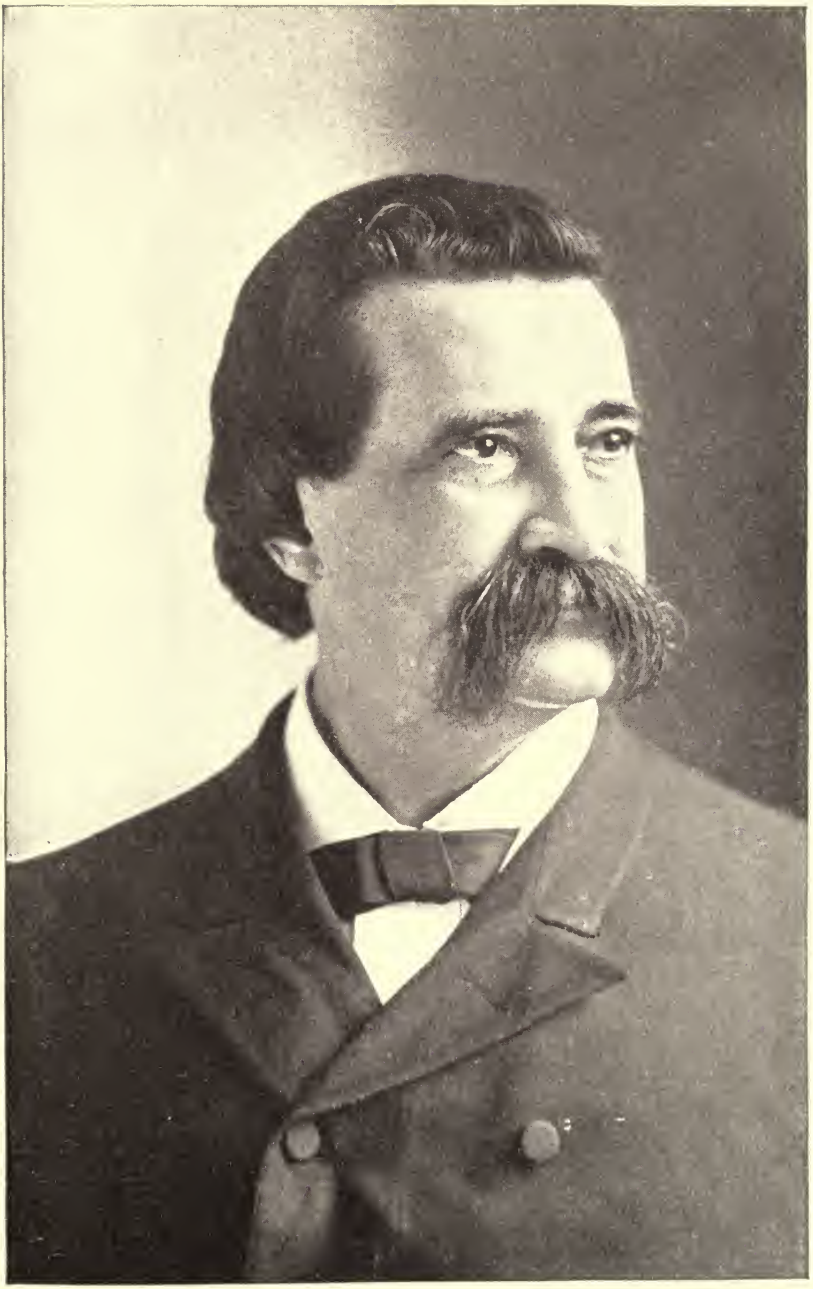
first Monday of November. During the period from my return home after the adjournment of Congress until the day of election, I spoke almost daily. The election resulted in a victory for the Republican party, the head of the ticket, James S. Robinson, Secretary of State, receiving about 11,000 majority.

The second session of the 49th Congress passed but little important legislation except the appropriation bills. The two Houses were so widely divergent that they could not agree upon measures of political importance.

On the 9th of December I made an impromptu speech on the revision of the tariff, in reply to Senator Beck, but as no action was taken upon the subject at that session, it is useless to quote what I said. Mr. Beck was a man of great mental as well as physical power. A Scotchman by birth, he came at an early age to the United States and settled in Kentucky, where he practiced law, and in due time became a Member of Congress, and afterwards a Senator of the United States. He was aggressive, affirmative and dogmatic, and seemed to take special delight in opposing me on all financial questions. He and I were members of the committee on finance, and had many verbal contests, but always with good humor. On the 9th of December, as I entered the Senate Chamber after a temporary absence, I heard the familiar voice of Beck begging, in the name of the Democratic party, a chance to reduce taxation. I promptly replied to him, and the colloquy between us extended to considerable length. He was, in fact, a free trader, believed in the policy in force in Great Britain, and opposed every form of protection to American industries. Our debate brought out the salient arguments on both sides, though no measure on the subject-matter was pending before the Senate.

During the holiday recess Senator John A. Logan died at his residence, Calumet Place, in Washington. This was announced, in the Senate, by his colleague, Shelby M. Cullom, on January 4, 1887, as follows:

"'The angel of death has been abroad throughout the land.' His visitation has been most unexpected during the recent brief recess of the Senate, and has imposed upon me a duty which I have scarcely the heart to perform —the duty of announcing the death of my late distinguished colleague. At



JOHN A. LOGAN.

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his home, which overlooks this capital city, at three minutes before three o'clock on Sunday afternoon, the 26th of December, the spirit of John A. Logan took its flight into the unknown realms of eternity. On Friday last, the funeral ceremonies were conducted, by the Senators and Representatives present, in this Senate Chamber, and his mortal remains were conveyed to the silent tomb.

"We are called upon to mourn the loss of one of the bravest and noblest of men—a man loved by the patriotic people of his state and of the nation, known to his country and to the civilized world as great in war and in peace, and for nearly fourteen years a distinguished Member of this Senate."

Logan is buried in the cemetery of the Soldiers' Home in Washington, in a conspicuous and beautiful marble tomb erected to his memory by his widow. On the 9th of February the business of the Senate was suspended, and many Senators, the associates of the deceased, paid fitting and eloquent tribute to his public and private virtues in addresses of marked ability and interest.

He was a striking character, bold, fearless and aggressive, but sensitive as a child. I knew him well when he was a Member of the House before the war. He was a devoted friend and admirer of Douglas, and, like him, when the war commenced, threw his whole soul into the Union cause. He was a good soldier, and, of those who entered the army from civil life, was among the most distinguished. He was a model of the volunteer soldiery. After the war was over he was returned to Congress and served in the House and Senate until his death. He was a positive man; there were no negative qualities about him. Thoroughly honest in his convictions he was regarded as a strong debater, though somewhat too urgent in presenting his opinions, and disposed to take a personal view of controverted questions. I had great respect for Logan, and never had any controversies with him except upon financial questions, upon which I thought he took at one time erroneous views. For a long time he adopted the ideas prevailing in the west in regard to paper money. Upon further reflection he became satisfied that the policy of resumption was the right one and adhered to it. He was a member of the committee that framed the resumption act, and from the time that measure was agreed upon, he so far as I know, supported it firmly and warmly. He

was a good party man; he stood by the judgment of his political friends. I never saw the slightest hesitation or doubt on his part in supporting a measure which was agreed upon by his political associates. One interesting feature of Logan's life was the interest felt by his wife in his public career, and her helpfulness to him. She was the model of a helpmate. She is in every way a good woman. She has the very qualities that he lacked, and I might illustrate by many instances her great aid to him in his political purposes.

I had accepted an invitation of the merchants of Boston to attend the annual banquet of the Mercantile Association on the 29th of December, but was compelled to withdraw my acceptance, so that, as president of the Senate, I could perform certain duties in respect to Logan's funeral that I could not delegate to others, and which were requested of me by the committee on arrangements, through a notice sent me by Senator Cullom, the chairman, as follows, and upon which I acted:

"The committee on arrangements at the funeral ceremonies of John A. Logan, late a Senator of the United States from the State of Illinois, respectfully request the Honorable John Sherman, a Senator of the United States from the State of Ohio, to preside at the funeral exercises on Friday, December 31, 1886."

In the Boston invitation it was intimated that some remarks on the national banking system would be acceptable. In declining I wrote a letter expressing my opinion of that system, which I said had realized all the good that had ever been claimed for it by its authors, that it had furnished the best paper money ever issued by banking corporations, that the system was adopted only after the fullest consideration and had won its way into public favor by slow process, and that I regarded it as the best that had ever been created by law. The remarkable success of this system, I said, was not appreciated by those not familiar with the old state banks. It had been adopted by many countries, especially in the far off island of Japan.

The bill to regulate interstate commerce became a law on the 4th of February, 1887. It had passed both Houses at the

previous session, but, the Senate having disagreed to amendments of the House, the bill and amendments were sent to a committee of conference. The report of the committee was fully debated. I had taken great interest in this bill, but had not participated in the debate until the 14th of January, when I supported the conference report, while not agreeing to some of the amendments made. Senator Cullom is entitled to the chief credit for its passage.

On the 22nd of February I laid before the Senate the following communication, which was read:

To the Senate of the United States.

Senators:—My office as president *pro tempore* of the Senate will necessarily terminate on the 4th of March next, with my present term as Senator. It will promote the convenience of the Senate and the public service to elect a Senator as president *pro tempore* whose term extends beyond that date, so that he may administer the oath of office to Senators-elect and aid in the organization. I, therefore, respectfully resign that position, to take effect at one o'clock p. m., on Saturday next, February 26.

Permit me, in doing so, to express my heartfelt thanks for the uniform courtesy and forbearance shown me, while in the discharge of my duties as presiding officer, by every Member of the Senate. Very truly yours,

John Sherman.

I said if there was no objection the communication would be entered in the journal and placed among the files of the Senate. On the 25th John J. Ingalls was elected president *pro tempore*, to take effect the next day. On that day I said:

"Before administering the oath of office to his successor the occupant of the chair desires again to return to his fellow Senators his grateful acknowledgments for their kind courtesy and forbearance in the past.

"It is not a difficult duty to preside over the Senate of the United States. From the establishment of our government to this time the Senate has always been noted for its order, decorum, and dignity. We have but few rules, and they are simple and plain; but we have, above all and higher than all, that which pervades all our proceedings—the courtesy of the Senate, which enables us to dispose of nearly all the business of the Senate without question or without division. I trust that in the future, as in the past, this trait of the Senate of the United States will be preserved intact, and I invoke for my successor the same courtesy and forbearance you have extended to me. I now invite him to come forward and take the oath of office prescribed by law."

Mr. Ingalls advanced to the desk of the president *pro tempore*, and, the oath prescribed by law having been administered to him, he took the chair, and said:

"Senators, I must inevitably suffer disparagement in your estimation, by contrast with the parliamentary learning and skill, the urbanity and accomplishments of my illustrious predecessor, but I shall strive to equal him in devotion to your service, and I shall endeavor, if that be possible, to excel him in grateful appreciation of the distinguished honor of your suffrages."

Mr. Harris offered the following resolution, which was unanimously adopted:

"*Resolved*, That the thanks of the Senate are hereby tendered to Hon. John Sherman, for the able and impartial manner in which he has administered the duties of the office of president *pro tempore* during the present Congress."

CHAPTER LII.

Visit to Cuba and the Southern States.

Departure for Florida and Havana — A Walk Through Jacksonville — Impressions of the Country — Visit to Cigar Factories and Other Places of Interest — Impressions of Cuba — Experience with Colored Men at a Birmingham Hotel — The Proprietor Refuses to Allow a Delegation to Visit Me in My Rooms — Sudden Change of Quarters — Journey to Nashville and the Hearty Reception Which Followed — Visit to the Widow of President Polk — My Address to Nashville Citizens — Comment from Press That Followed It — An Audience of Workingmen at Cincinnati — Return Home — Trip to Woodbury, Conn., the Home of My Ancestors — Invitation to Speak in the Hall of the House of Representatives at Springfield, Ill. — Again Charged with "Waving the Bloody Shirt."

AT the close of the session of Congress, early in March, a congenial party was formed to visit Florida and Havana. It was composed of Senator Charles F. Manderson, wife and niece, Senator T. W. Palmer and niece, General Anson G. McCook and wife, and myself and daughter. We were accompanied by F. D. Mussey, Frank G. Carpenter, correspondents, E. J. Babcock, my secretary, and A. J. Galloway and son, in the employ of the Coast Line road, over which we were to pass. We stopped at Charleston, where the ravages of a recent earthquake were everywhere visible. Fort Sumter, which we visited, was a picture of desolation. Such a large party naturally attracted attention. At Jacksonville we encountered our first reporter. He showed me an article in which it was stated that we were on a political trip. This I disclaimed and said we had not heard politics mentioned since we left Washington, that we were tired out after Congress completed its work and made up a party and started off merely for rest and recreation. I remarked that I had been in every state in the Union but one, and wanted to finish up the list by

seeing Florida. A colloquy as given by the reporter was as follows:

"Well, Senator, my errand was for the purpose of getting your opinion on matters political."

"I am out of politics just now. I want to rest and I do not want politics to enter my head for two weeks."

"Then you say positively that you are not down here to look after your fences for a presidential boom in 1888?"

"Most decidedly not. I will not say a word about politics until I reach Nashville on my return. There I take up the political string again and will hold to it for some time."

Manderson proposed a walk through the city, the reporter being our guide. Orange trees were to be seen on every side. We were surprised to find so large and prosperous a city in Florida, with so many substantial business houses and residences. The weather was delightful, neither too hot nor too cold, and in striking contrast with the cold and damp March air of Washington. From Jacksonville we went in a steamboat up the St. John's River to Enterprise. Florida was the part of the United States to be first touched by the feet of white men, and yet it seemed to me to be the most backward in the march of progress. It was interesting chiefly from its weird and valueless swamps, its sandy reaches and its alligators. It is a peninsula, dividing the Gulf of Mexico from the ocean, and a large part of it is almost unexplored. The part we traversed was low, swampy, with dense thickets, and apparently incapable of reclamation by drainage. The soil was sandy and poor and the impression left on my mind was that it could not be made very productive. There were occasional spots where the earth was far enough above the sea to insure the growth of orange trees, but even then the soil was thin, and to an Ohio farmer would appear to be only a worthless sand bank. This, however, does not apply to all points in Florida, especially not to the Indian River region, where fine oranges and other semitropical fruits are raised in great abundance. The Indian River is a beautiful body of water, really an arm of the sea, on the eastern coast of Florida, separated from the Atlantic by a narrow strip of land. The water is salt and abounds in game and fish.

At Sanford our party was joined by Senator Aldrich and his wife, and we proceeded by way of Tampa and Key West to Havana, where we arrived on the 17th of March. The short sail of ninety miles from Key West transported us to a country of perpetual summer, as different from the United States as is old Egypt. After being comfortably installed in a hotel we were visited by Mr. Williams, our consul general, who brought us an invitation from Captain General Callejas to call upon him. We did so, Mr. Williams accompanying us as interpreter. We were very courteously received and hospitably entertained. The captain general introduced us to his family and invited us to a reception in the evening, at which dancing was indulged in by the younger members of the party. He afterwards returned our call. We spent four very pleasant days in the old city, visiting several of the large cigar factories, a sugar plantation in the neighborhood and other scenes strange to our northern eyes. The ladies supplied themselves with fans gaily decorated with pictures of bull fights, and the men with Panama hats, these being products peculiar to the island.

Among the gentlemen of our party, as already stated, was Frank G. Carpenter, a bright young man born at Mansfield, Ohio, who has since made an enviable reputation as a copious and interesting letter writer for the press. His description of Havana is so true that I insert a few paragraphs of it here:

"Havana has about 300,000 inhabitants. It was a city when New York was still a village, and it is now 100 years behind any American town of its size. It is Spanish and tropical. The houses are low stucco buildings put together in block, and resting close up to narrow sidewalks. Most of them are of one or two stories, and their roofs are of red tile which look like red clay drain pipes cut in two and so laid that they overlap each other. The residences are usually built around a narrow court, and their floors are of marble, tile or stone. This court often contains plants and flowers, and it forms the loafing place of the family in the cool of the evening.

"These streets of Havana are so narrow that in some of them the carriages are compelled to go in one direction only. When they return they must go back by another street. The sidewalks are not over three feet wide, and it is not possible for two persons to walk abreast upon them. The better class of Cubans seldom walk, and the cabbys are freely called upon. The cab of Havana is a low Victoria holding two or three persons. Their tops come down so as to shade the eyes, and they have springs which keep

every molecule of your body in motion while you ride in them. The horses used are hardy mongrel little ponylike animals, who look as though they were seldom fed and never cleaned.

"The traffic of Havana is largely done by oxen, and the two-wheeled cart is used exclusively. This cart is roughly made and it has a tongue as thick as a railroad tie, nailed to the body of the cart, and which extends to the heads of the oxen and is there fastened by a great yoke directly to the horns. The Cuban ox pulls by his head and not his shoulders. This yoke is strapped by ropes across the foreheads of the oxen, and they move along with their heads down, pushing great loads with their foreheads. They are guided by rope reins fastened to a ring in the nose of the ox. Some of the carts are for a single ox, and these have shafts of about the same railroad tie thickness, which are fastened to a yoke which is put over the horns in the same manner. Everything is of the rudest construction and the Egyptians of to-day are as well off in this regard.

"Prices of everything here seem to me to be very high, and the money of the country is dirty, nasty paper, which is always below par, and of which you get twelve dollars for five American ones. A Cuban dollar is worth about forty American cents, and this Cuban scrip is ground out as fast as the presses can print it. The lower denominations are five, ten, twenty and fifty cent pieces, and you get your boots blacked for ten Spanish cents. Even the gold of Cuba is below par, about six per cent. below the American greenback, and most of it and the silver in use has been punched or chipped to make money off of the pieces thus cut out. The country is deeply in debt, and the taxes are very heavy."

On the return voyage a strong northwest wind sprang up, and most of the party, especially the ladies, experienced the disagreeable effects of being on a small steamer in a rough sea. They had, however, all recovered by the time we reached Tampa, and as soon as we landed we started for Jacksonville.

In an interview shortly after my return from Cuba, I thus gave the impression made upon my mind as to its condition:

"And how did you enjoy your visit to Cuba?"

"We spent four days in Havana. Nobody could be treated with greater courtesy. You know Spanish courtesy is never surpassed anywhere. But that cannot prevent me from saying that Cuba is in a deplorable condition. I should judge from what I heard from intelligent Cuban Americans living there, and even Spaniards themselves, that the island is in a condition of ill-suppressed revolt. Natives are nearly to a man in favor of annexation to us. I think they have given over the idea of independence, for they begin to recognize that they are incapable of self-government. Their condition is indeed pitiable. No serfs in Russia were ever greater slaves than the Cubans are to Spain. The revenue they must raise yearly for Spain, and

for which they get no benefit whatever, except the name of a national protection and the ægis of a flag, is $16,000,000. They have no self-government of any kind. From captain general down to tide-waiter at the docks, the official positions are held by Spaniards. I venture to say not a single native Cuban holds an office or receives public emolument. In addition to the $16,000,000 sent annually to Spain, Cuba has to pay the salaries of all the Spanish horde fastened upon her."

"Do you think the native planters, the wealthier classes, that is, favor annexation to the United States?"

"Yes, I am told all of them are anxious for it, but I don't think we want Cuba as an appendage of the United States. I would not favor annexation. In spite of the drains upon her, Cuba is enormously rich in resources, and is a large consumer of our products, on which at present the heavy Spanish duties rest. What I would favor would be a reciprocity treaty with Spain, as to Cuba, so that we might send our goods there instead of forcing the Cubans to buy of England, France and Germany. We could do the island much more good by trading with her on an equal basis than we ever can by annexing her. Cuba, to some extent, is under our eye, we would probably never let any other nation than Spain own the island, but so long as Spain does own it she is welcome to it if she will only let us sell our goods on equal or better terms than the Cubans can get them for elsewhere."

I had some time previously accepted an invitation of the members of the Tennessee legislature to address them, and, therefore, at Jacksonville left the remainder of the party to pursue their way to Washington at their leisure, while I started for Nashville, accompanied by Mr. Babcock and Mr. Mussey. Having a few days to spare before my appointment at that place, and having heard much of the wonderful progress and development of the iron industry at Birmingham, Alabama, I determined to stop at that place. On our arrival we went to the Hotel Florence, and at once met the "ubiquitous reporter." My arrival was announced in the papers, and I was soon called upon by many citizens, who proposed that an informal reception be held in the dining room of the hotel that evening, to which I had no objection. Among those present were ex-Senator Willard Warner, and a number of the leading men who had so quickly transformed an open farm into the active and progressive city of Birmingham. The reception was held and was a very pleasant affair. Being called upon for a speech I made a few remarks, which were well received, and as the gentlemen present expressed a desire to

have a larger meeting I consented to speak on the following evening at the opera house.

That afternoon, when my room was thronged with callers, most of whom were Democrats, I was handed the following note:

BIRMINGHAM, ALA., March 20, 1887.

HON. JOHN SHERMAN, U. S. Senator.

DEAR SIR:- The undersigned, citizens of Birmingham, Alabama, take this method of writing you to extend your visit from Nashville, Tennessee, to our growing city, and bear witness to its development and progress as the prospective mining, manufacturing and business metropolis of the state. Feeling confident that you are naturally interested in our welfare and happiness, American citizens in every capacity and relation in life, we earnestly trust that you will comply with our solicitation.

Yours respectfully,

SAM'L R. LOWERY, Editor "Southern Freemen."
A. L. SCOTT, Real Estate Agent.
W. R. PETTIFORD, J. M. GOODLOE, A. J. HEADON,
A. D. JEMISON and R. DONALD, Pastors of Colored Churches in Birmingham, Ala.

The letter was written to be sent to me at Nashville, when it was not known that I was at Birmingham, and was indorsed as follows:

HON. JOHN SHERMAN, U. S. Senator.

DEAR SIR:—A colored delegation, as given above, desires to call upon you to-morrow morning at 10 o'clock or at 3. Please do us the kindness to say if we may see you, and when. Yours faithfully A. L. SCOTT.

I at once sent word to the delegation that I would see them in my room the next morning at 10 o'clock, having already arranged to accompany some gentlemen on an excursion among the mines and other evidences of Birmingham's boom at 11 a. m. The next morning I waited in my room with General Warner, Judge Craig and others until 11 o'clock, and, the delegation not appearing, was about to start on my visit to the mines, when the following note was handed me by one of the colored servants of the house:

BIRMINGHAM, ALA.

HON. JOHN SHERMAN.

DEAR SIR:—In accordance with arrangement, a committee of colored citizens of the United States and the State of Alabama came to see you at 10 o'clock this morning. The proprietor of the Florence hotel declined to

allow us to visit your room, and said if we desired to see you we must see you outside of the Florence hotel. We regret the occurrence, as the committee is composed of the best colored citizens of our community.

Yours respectfully,

A. L. Scott.
W. R. Pettiford.
Samuel R. Lowery.
R. C. D. Benjamin.
Albert Boyd.

I requested General Warner and Judge Craig to go to the proprietor of the hotel and ask him if it was true that he had forbidden certain men going to my room. The proprietor informed them that it was true; that it was against his rules to allow any colored people to go upstairs except the servants. I said I would not allow a hotel proprietor to say whom I should or should not receive in my room. That was a question I chose to decide for myself. I therefore immediately paid my bill and went to the Metropolitan hotel, where the delegation made their call. Their only object was to read to me an address of welcome to the city in behalf of the colored people. Their address was well expressed and they were evidently intelligent and respectable men. They welcomed me cordially in behalf of their race and countrymen, and said:

"While we respect your political and statesmanlike life, not an event has equaled your manly and heroic conduct in Birmingham, Alabama, in respect to the persecuted, proscribed and downtrodden black citizens, on account of their race, color and proscription in this city and state.

"When you stated to the tavern keeper, if the black citizens were not permitted to visit you there, you would go to another tavern, and if not permitted, you would stop with your baggage in the street and receive them, shows a sympathy and sentiment that you, though honored and able, feel bound with them and to them. And every black man, woman and child thenceforward in our state will pray Heaven's favor shall follow you and yours to a throne of grace for Sherman, Ohio's noblest, heroic and patriotic statesman."

In reply I expressed pleasure at meeting the colored people, and, touching the Florence hotel affair, advised forbearance. "Be true to yourselves," I said, "be industrious, maintain your own manhood, and the day will come when you can command recognition as men and citizens of the United States, free and

equal with all others." I assured them that I entertained as high respect for colored people as I did for any other citizens.

I mention this incident at some length because, at the time, it excited much comment in the press throughout the United States. It is but fair to say that the action of the hotel proprietor was condemned by the leading Democrats of Birmingham, prominent among whom was the editor of the "Iron Age."

In the evening I spoke at the opera house, which was well filled with representative citizens. I was introduced by Rufus M. Rhodes, president of the News Publishing Company. My speech was confined mainly to nonpartisan subjects, to the industries in that section, and the effect of national legislation upon them. I had read of the vast deposits of coal and iron in that section, and had that day seen them for myself. I said: "You have stored in the surrounding hills elements of a wealth greater than all the banks of New York." In speaking of the effect of national legislation upon the development of their resources, I said I would not allude to politics, because, though a strict party man, as they all knew, I believed that men who differed with me were as honest as I was; that whatever might have occurred in the past, we were a reunited people; that we had had our differences, and men of both sides sought to have their convictions prevail, but I would trust the patriotism of an ex-Confederate in Alabama as readily as an ex-Unionist in Ohio; that I was not there to speak of success in war, but of the interests and prosperity of their people. My nonpartisan speech was heartily approved. General Warner made a brief address to his former constituents, and the meeting then adjourned.

I went the next day to Nashville, arriving early in the evening. A committee of the legislature met me on my way. On my arrival I met many of the members of both political parties, and was the recipient of a serenade at which William C. Whitthorne, a Democratic Member of Congress, made a neat speech welcoming me to the hospitality of the state. None of the speeches contained any political sentiments, referring mainly to the hopeful and prosperous outlook of the interests of Tennessee.

During the next day I visited with a committee, at the head of which was Mr. Kerchival, the mayor of the city, several manufacturing establishments, and the Fisk and Vanderbilt universities, and also a school for colored boys. Among the more agreeable visits that day was one made at the residence of Mrs. Polk, the widow of President Polk. I remembered her when she was the honored occupant and mistress of the White House, at the time of my first visit to Washington in the winter of 1846-47. She was still in vigorous health, an elegant and dignified lady.

I wish here to express my grateful appreciation of the reception given me by the people of Nashville on this occasion. There was no appearance of mere form and courtesy due to a stranger among them, but a hearty general welcome, such as would be extended to one representing their opinions and identified with their interests. I met there several gentlemen with whom I had served in Congress, most of whom had been in the Confederate service. One of them paid me a compliment after hearing my speech by saying: "Sherman, your speech will trouble the boys some, but I could answer you."

This speech was made on the evening of the 24th of March, 1887, in the hall of the house of representatives. It was carefully prepared with the expectation that it would be delivered to an unsympathetic audience of able men. I delivered it with scarcely a reference to my notes, and substantially in the language written. Tennessee and Kentucky had been Whig states, strongly in favor of protection, and before the war were represented by John Bell and Henry Clay. I claimed my fellowship with the people of Tennessee in the old Whig times, and, aside from the questions that grew out of the war, assumed that they were still in favor of the policy of protection of American industries by tariff laws. I did not evade the slavery question or the War of the Rebellion, but said of them what I would have said in Ohio. I made an appeal in behalf of the negro, and quoted what Senator Vest had eloquently said, that "the southern man who would wrong them deserves to be blotted from the roll of manhood." All we asked for the negro was that the people of Tennessee would secure

to him the rights and privileges of an American citizen, according to the constitution of the United States. I then presented the questions of the hour, taxation, currency, public credit, foreign and domestic commerce, education and internal improvements. On these questions I said the people of Tennessee had like interests and opinions with the people of Ohio, that the past was beyond recall, that for evil or good the record was made up and laid away. I discussed each of these subjects, dwelling mainly on taxation and currency; in the one was the protection and promotion of home industries, and in the other was the choice between bank notes of the olden time, and United States notes and national bank notes secured by the bonds of the United States. I closed with these words:

"But I do, in the presence of you all, claim for the Republican party, and defy contradiction, that in the grandeur of its achievements, in the benefits it has conferred upon the people, in the patriotic motives that have animated it, and the principles that have guided it, in the fidelity, honesty, and success of its administration of great public trusts, it will compare favorably with the record of any administration of any government in ancient or modern times. We ask you to aid us, to help us. We make this appeal in the same words to the Confederate gray as to the Union blue—to whoever in our great country is willing in the future to lend a helping hand or vote to advance the honor, grandeur and prosperity of this great republic."

The speech, being made by a Republican at the capital of a southern Democratic state, attracted great attention from the public press, and, much to my surprise, several of the leading Democratic and independent papers commended it highly. This was notably the case with the Louisville "Courier Journal," the Washington "Evening Star," and the New York "Herald." A brief extract from the latter is given as an indication of public sentiment:

"Senator Sherman's Nashville speech is the first address on national politics ever spoken by a Republican of national reputation to a southern audience. He was welcomed by the prominent citizens of the Tennessee capital, and spoke to a crowded and attentive audience in the hall of representatives.

"Both the speech and the welcome the speaker received are notable and important events. Mr. Sherman spoke as a Republican in favor of Republican politics, and what he said was frankly and forcibly put. If the Republican leaders are wise they will take care to circulate Mr. Sherman's Nashville

speech all over the south, and through the north as well. He spoke for high protection, for internal improvements, for liberal expenditures on public buildings, for the Blair education bill, for the maintenance of the present currency system, and for spending the surplus revenues for public purposes.

"All that is the straightest and soundest Republican doctrine. He told his hearers, also, that the war is over, and that the interests of Tennessee and other southern states must naturally draw them to the Republican party. He spoke to attentive ears."

The speech was reprinted and had considerable circulation, but, like the shadows that pass, it is probably forgotten by all who heard or read it. I consider it as one of the best, in temper, composition and argument, that I ever made.

It had been arranged that I was to be driven to Saint Paul's chapel after the meeting. The occasion was the assemblage of the educational association of the African Methodist Episcopal church, and their friends. The chapel was a large, handsome, well-furnished room, and was crowded to the door with well-dressed men and women. Dr. Bryant made an address of welcome, and Bishop Turner introduced me to the audience. I made a brief response and excused myself from speaking further on account of fatigue. General Grosvenor and ex-Senator Warner made short speeches. Our party then returned to the hotel. To me this meeting was a surprise and a gratification. Here was a body of citizens but lately slaves, who, in attendance on religious services and afterward remaining until a late hour listening to us, behaved with order, attention and intelligence. The report of my remarks, as given in their newspaper, was as follows:

"Senator Sherman said that the praise of himself had been too high. He had voted for the emancipation of the negro race in the District of Columbia, an event which had preceded the emancipation proclamation of Abraham Lincoln. He supported it as a great act of national authority and of justice. Therefore, he could appear as a friend of the race and of liberty. He had not voted for it because they were negroes, but he had voted for it because they were men and women. He would have voted for the whites as well. He spoke of the society and said any measure that would tend to elevate the race he was in favor of. What the race wanted was not more rights but more education. Their rights were secured to them by the constitution of the United States, and the time would come when they would enjoy them as freely as anyone. They should not be impatient to advance. Prejudice

could not be overcome in a short period. He said the best way to overcome all prejudice was by elevating themselves; but not by gaudy extravagance, groans, abuse, war, or tumult of war. They had the same right to become lawyers, doctors, soldiers and heroes as the white man had.

"When they became as advanced as the whites around them there would be no trouble about their franchises. Now they were free men and they should become freeholders. After they had got education they should accumulate property."

On the next morning I left Nashville for Cincinnati, where I arrived on the evening of the 25th of March and took lodgings at the Gibson House. I was to speak at Turner Hall on the next evening, under the auspices of the Lincoln and Blaine clubs. It was a busy day with me in receiving calls and in visiting the chamber of commerce and the two clubs where speeches were made and hand-shaking done. Still, I knew what I was to say at the meeting, and the composition of the audience I was to address. The hall is large, with good acoustic qualities, and in it I had spoken frequently. It is situated in the midst of a dense population of workingmen, and was so crowded that night in every part that many of the audience were compelled to stand in the aisles and around the walls. On entering I mentally contrasted my hearers with those at Faneuil Hall and Nashville. Here was a sober, attentive and friendly body of workingmen, who came to hear and weigh what was said, not in the hurry of Boston or with the criticism of political opponents as in Nashville, but with an earnest desire to learn and to do what was best for the great body of workingmen, of whom they were a part. I was introduced in a kindly way by ex-Governor Noyes. After a brief reference to my trip to Florida and Cuba, I described the country lying southwest of the Alleghany mountains, about two hundred miles wide, extending from Detroit to Mobile, destined to be the great workshop of the United States, where coal and iron could be easily mined, where food was abundant and cheap, and in a climate best fitted for the development of the human race. In this region, workingmen, whether farmers, mechanics or laborers, would always possess political power as the controlling majority of the voters. I claimed that the Republican party was the natural home of workingmen, that its policy, as

developed for thirty years, had advanced our industrial interests and diversified the employments of the people. This led to a review of our political policy, the homestead law, the abolition of slavery, good money always redeemable in coin, the development of manufactures and the diversity of employments. I discussed the creation of new parties, such as the labor party and the temperance party, and contended that their objects could better be attained by the old parties. I referred to the organization of a national bureau of labor, to a bill providing for arbitration, and other measures in the interest of labor. I stated the difficulties in the way of the government interposing between capital and labor. They were like husband and wife; they must settle their quarrels between them, but the law, if practicable, should provide a mode of adjustment. I closed with the following appeal to them as workingmen:

"Let us stand by the Republican party, and we will extend in due time our dominion and power into other regions; not by annexation, not by overriding peaceable and quiet people, but by our commercial influence, by extending our steamboat lines into South America, by making all the Caribbean Sea one vast American ocean; by planting our influence among the sister republics, by aiding them from time to time, and thus, by pursuing an American policy, become the ruler of other dominions."

From Cincinnati, after a brief visit to Mansfield, I returned to Washington to await the opening of spring weather, which rarely comes in the highlands of Ohio until the middle of May.

General Sherman and I had been invited several times to visit Woodbury, Connecticut, for nearly two centuries the home of our ancestors. In April, both being in Washington, we concluded to do so, and advised Mr. Cothren, the historian of Woodbury, of our purpose. We arrived in the evening at Waterbury, and there found that our coming was known. Several gentlemen met us at the depot and conducted us to the hotel, some of them having served with General Sherman in the Civil War. Among them was a reporter. We explained to him that we were on our way to Woodbury, had no plans to execute, intended to erect no monuments, as was stated, and only wished to see where our ancestors had lived and died.

General Sherman was rather free in his talk about the steep hills and cliffs near High Rock grove. These he admired as scenery, but he said: "I cannot see how this rocky country can be converted into farming lands that can be made profitable;" also "I am indeed pleased to think that my ancestors moved from this region to Ohio in 1810." Among the callers was S. M. Kellogg, who had served with me in Congress.

The next morning we went to Woodbury, called on William Cothren, and proceeded to the cemetery and other places of note in the neighborhood. In this way the day was pleasantly spent. I thought there were signs of decay in the old village since my former visit, but this may have been caused by the different seasons of the year at which these visits were made. Woodbury looks more like an England shire town than any other in Connecticut. Its past history was full of interest, but the birth and growth of manufacturing towns all around eclipsed it and left only its memories. After visiting the site of the old Sherman homestead, about a mile from town, and the famous Stoddard house, in which my grandmother was born, we returned to New York.

I had been invited by the officers and members of the Illinois legislature, then in session at Springfield, to speak in the hall of the house of representatives on the political issues of the day. I accepted with some reluctance, as I doubted the expediency of a partisan address at such a place. My address at Nashville, no doubt, led to the invitation; but the conditions were different in the two cities. At Nashville it was expected that I would make a conciliatory speech, tending to harmony between the sections, while at Springfield I could only make a partisan speech, on lines well defined between the two great parties, and, as I learned afterwards, by reason of local issues, to a segment of the Republican party. Had I known this in advance I would have declined the invitation.

The 1st of June was the day appointed. I arrived in Chicago, at a late hour, on the 29th of May, stopping at the Grand Pacific hotel, and soon after received the call of many citizens in the rotunda. On the evening of the 30th I was tendered a reception by the Union League club in its library, and soon

became aware of the fact that one segment of the Republican party, represented by the Chicago "Tribune," was not in attendance. The reception, however, was a very pleasant one, greatly aided by a number of ladies.

The next morning, accompanied by Senator Charles B. Farwell and a committee of the club, I went to Springfield. I have often traversed the magnificent State of Illinois, but never saw it clothed more beautifully than on this early summer day. The broad prairies covered with green, the wide reaches of cultivated land, rich with growing corn, wheat and oats, presented pictures of fertility that could not be excelled in any portion of the world. I met Governor Oglesby and many leading citizens of Illinois on the way, and on my arrival at Springfield was received by Senator Cullom and other distinguished gentlemen, and conducted to the Leland hotel, but soon afterwards was taken to the residence of Senator Cullom, where several hours were spent very pleasantly. Later in the evening I attended a reception tendered by Governor and Mrs. Oglesby, and there met the great body of the members of the legislature and many citizens.

On the 1st of June an elaborate order of arrangements, including a procession was published, but about noon there came a heavy shower of rain that changed the programme of the day. A platform had been erected at the corner of the statehouse, from which the speaking was to be made. This had to be abandoned and the meeting was held in the hall of the house of representatives, to which no one could enter without a ticket.

It was not until 2:40 p. m. that we entered the hall, when Governor Oglesby, taking the speaker's chair, rapped for order and briefly addressed the assembly. I was then introduced and delivered the speech I had prepared, without reading or referring to it. It was published and widely circulated. The following abstract, published in the Chicago "Inter-Ocean," indicates the topics I introduced:

"The Senator began first to awaken applause at the mention of the name of Lincoln, repeated soon after and followed by a popular recognition of the name of Douglas. He quoted from Logan, and cheers and applause greeted the words. There was Democratic applause when he proclaimed his belief 'that had Douglas lived he would have been as loyal as Lincoln himself,'

and again it resounded louder still when Logan received a hearty tribute. He touched upon the successes of our protective policy, and again the applause accentuated his point. He exonerated the Confederate soldier from sympathy with the atrocities of reconstruction times, and his audience appreciated it. He charged the Democratic party in the south with these atrocities and the continual effort to deprive the negro of his vote, and his audience appreciated that. His utterance that he would use the power of Congress to get the vote of a southern Republican counted at least once, excited general applause. They laughed when he asked what Andrew Jackson would have thought of Cleveland, and they laughed again when he declared the Democrats wanted to reduce the revenue, but didn't know how. He read them the tariff plank in the Confederate platform, and they laughed to see how it agreed with the same plank in the Democratic platform. From discussion of the incapacity of the Democrats to deal with the tariff question, from their very construction of the constitution, the Senator passed to the labor question, thence carrying the interest of his hearers to the purpose of the Republicans to educate the masses, and make internal improvements. His audience felt the point well made when he declared the President allowed the internal improvement bill to expire by a pocket veto because it contained a $5,000 provision for the Hennepin Canal. In excellent humor the audience heard him score the Democracy for its helplessness to meet the currency question, and finally pass, in his peroration, to an elaboration of George William Curtis' eulogy of the achievements of the Republican party. He read the twelve Republican principles, and each utterance received its applause like the readoption of a popular creed. 'The Democrats put more jail birds in office in their brief term than the Republicans did in the twenty-four years of our magnificent service,' exclaimed Senator Sherman, and his audience laughed, cheered, and applauded. Applause followed each closing utterance as the Senator outlined the purposes of the party for future victory, and predicted that result, the Democrats under the Confederate flag, the Republicans under the flag of the Union."

I returned the next day to Chicago, and in the evening was tendered a public reception in the parlors of the Grand Pacific hotel. Although Chicago was familiar to me, yet I was unknown to the people of Chicago. One or two thousand people shook hands with me and with them several ladies. Among those I knew were Justice Harlan, Robert T. Lincoln and Walker and Emmons Blaine.

Upon my return to Mansfield I soon observed, in the Democratic and conservative papers, hostile criticisms of my Springfield speech, and especially of my arraignment of the crimes at elections in the south, and of the marked preference by

Cleveland in the appointments to office of Confederate soldiers rather than Union soldiers. A contrast was made between the Nashville and Springfield speeches, and the latter was denounced as "waving the bloody shirt." Perhaps the best answer to this is the following interview with me, about the middle of June:

"So much fault is found with the Springfield speech by the opponents of the Republican party, and so many accusations made of inconsistency with the Nashville speech, that perhaps you may say—what you meant—what the foremost purpose was in both cases?"

"I meant my Springfield speech to be an historical statement of the position of the two parties and their tendencies and aims in the past and for the future. In this respect it differed from the Nashville speech, which was made to persuade the people of the south, especially of Tennessee, that their material interests would be promoted by the policy of the Republican party."

"Do you find anything in the Springfield speech to moderate or modify?"

"I do not think I said a word in the Springfield speech but what is literally true, except, perhaps, the statement that 'there is not an intelligent man in this broad land, of either party, who does not know that Mr. Cleveland is now President of the United States by virtue of crimes against the elective franchise.' This may be too broad, but upon a careful analysis I do not see how I could modify it if fair force is given to the word 'intelligent.'"

"You stand by the speech, then?"

"Well, since the speech has been pretty severely handled by several editors whom I am bound to respect, I have requested it to be printed in convenient form, and intend to send it to these critics with a respectful request that they will point out any error of fact contained in it, or any inconsistency between it and my Nashville speech."

"You do not admit that the two speeches are in two voices?"

"I can discover no inconsistency. And now, after seeing and weighing these criticisms, I indorse and repeat every word of both speeches. It may be that the speech was impolitic, but, as I have not usually governed my speeches and conduct by the rule of policy, as distinguished from the rule of right, I do not care to commence now."

"What about the persistent charge of unfriendliness to southern people and the accusation that you are shaking the bloody shirt?"

"I do not see how the arraignment of election methods that confessedly destroy the purity or the sanctity of the ballot box, and deprive a million of people of their political rights, can be ignored or silenced in a republic by the shoo-fly cry of 'bloody shirt.'"

"Is there no hope of persuasion of the southern people at large to see the justice of the demand for equal political rights?"

"I cannot see any reason why the Confederate cause, which was 'eternally wrong,' but bravely and honestly fought out, should be loaded down with the infamy of crimes which required no courage, committed long since the war, by politicians alone, for political power and for the benefit of the Democratic party. I can find some excuse for these atrocities in the strong prejudice of caste and race in the south, growing out of centuries of slavery, but I can find no excuse for any man of any party in the north, who is willing to submit to have his political power controlled and overthrown by such means."

CHAPTER LIII.

Indorsed for President by the Ohio State Convention.

I Am Talked of as a Presidential Possibility — Public Statement of My Position — Unanimous Resolution Adopted by the State Convention at Toledo on July 28, 1887 — Text of the Indorsement — Trip Across the Country with a Party of Friends — Visit to the Copper and Nickel Mining Regions — Stop at Winnipeg — A Day at Banff — Vast Snowsheds Along the Canadian Pacific Railroad — Meeting with Carter H. Harrison on Puget Sound — Rivalry Between Seattle and Tacoma — Trying to Locate "Mount Tacoma" — Return Home After a Month's Absence — Letter to General Sherman — Visit to the State Fair — I Attend a Soldiers' Meeting at Bellville — Opening Campaign Speech at Wilmington — Talk to Farmers in New York State — Success of the Republican Ticket in Ohio — Blaine Declines to Be a Candidate.

DURING the months of June and July, 1887, the question of the selection of the Republican candidate for President in the following year was discussed in the newspapers, in the conventions, and among the people. The names of Blaine and myself were constantly canvassed in connection with that office, and others were named. I was repeatedly written to and talked with about it, and uniformly said, to warm personal friends, that in view of my experience at previous national conventions I would not be a candidate without the support of a united delegation from Ohio, and the unanimous indorsement of a state convention. I referred to the fact that in every period of my political career I had been supported by the people of Ohio, and would not aspire to a higher position without their hearty approval. This statement was openly and publicly made and published in the newspapers. The "Commercial Gazette," of Cincinnati was authorized to make this declaration:

"If the Republicans of Ohio want Mr. Sherman for their presidential candidate they can say so at the Toledo convention. If not, Mr. Sherman will be entirely content with the position he now occupies, and will not be in the field as a presidential candidate."

I also wrote the following to a friend, and it was afterwards published:

"I do not want to be held up to the people of the United States as a presidential candidate if there is any doubt about Ohio. I do not, as many think, seek for the high honor, nor do I ask anyone to aid me in securing the nomination. I am as passive about it as any man can be whose merits or demerits are discussed in that connection. I do not desire the nomination, nor shall I encourage anyone to secure it for me until Ohio Republicans, who have conferred upon me the honors I have enjoyed, shall, with substantial unanimity, express their wish for my nomination."

This led my friends to determine to present this question to the approaching state convention at Toledo. It was said that, as this would be held a year in advance of the national convention, it was too soon to open the subject, but the conclusive answer was that no other state convention would be held prior to the national convention, and that it was but fair that I should have the chance to decline if there should be a substantial difference of opinion in the convention, and should have the benefit of its approval if it should be given.

It was understood that Governor Foraker would be unanimously renominated for governor. He doubted the policy of introducing in that contest a resolution in favor of my nomination for President, but said if it should be passed he would support it. The press of the state was somewhat divided as to the policy of the convention making a declaration of a choice for President, but indicated an almost universal opinion that there should be an undivided delegation in favor of my nomination. As the convention approached, the feeling in favor of such declaration grew stronger, and when it met at Toledo, on the 28th of July, there was practically no opposition. After the preliminary organization ex-Governor Foster reported a series of resolutions, which strongly indorsed me for President, and highly commended Foraker for renomination as governor. The convention called for the rereading of these resolutions and they were applauded and unanimously adopted. The committee on permanent organization nominated me as chairman of the convention. In assuming these duties I made a speech commending the nomination of Governor Foraker and the

action of the recent general assembly, and closed with these words:

"I have but one other duty to perform, and that I do with an overflowing heart. I thank you with all my heart for the resolutions that you have this day passed in respect to your choice for a President of the United States. I know, my fellow-citizens, that this is a matter of sentiment. I know that this resolution is of no importance unless the voters of the State of Ohio and of the several states should, in their free choice, elect delegates who will agree with you in your opinion. I recognize the district rule, and the right of every district to speak its own voice. I stood by that rule in 1880, when I knew that its adoption would cut off all hopes of my friends at that time. I also knew that there was another rule, that no man ought to be held as a candidate for that high office unless he has the substantial, unanimous voice of his party friends behind him. I believe that is a true rule, and it ought to be exercised to promote harmony and good will and friendship among Republicans. Now, my countrymen, again thanking you for this expression, I tell you with all frankness that I think more of your unanimous praise this day uttered than I do of the office of President of the United States."

The resolution, as adopted, was as follows:

"Recognizing, as the Republicans of Ohio always have, the gifted and tried statesmen of the Republican party of other states, loyal and unfaltering in their devotion to the success of the organization in 1888, under whatever standard bearer the Republican national convention may select, they have just pride in the record and career of John Sherman, as a member of the Republican party, and as a statesman of fidelity, large experience and great ability. His career as a statesman began with the birth of the Republican party; he has grown and developed with the growth of that organization; his genius and patriotism are stamped upon the records of the party and the statutes and constitution of the country, and, believing that his nomination for the office of President would be wise and judicious, we respectfully present his name to the people of the United States as a candidate, and announce our hearty and cordial support of him for that office."

The convention then proceeded to form a state ticket.

During the summer vacation of 1887, I made a trip across the continent from Montreal to Victoria, Vancouver Island, and from the Sound to Tacoma, going over the Canadian Pacific railroad, and returning by that line to Port Arthur, at the head of Lake Superior then, by one of the iron steamers of the Canadian Pacific road, through Lake Superior and Lake Huron to Owen Sound, and from there by rail to Toronto and home.

I had for many years desired to visit that country and to view for myself its natural resources and wonders, and to inspect the achievement of the Canadian Pacific Railroad Company.

I was accompanied on this journey by James S. Robinson, formerly secretary of state of Ohio, ex-Congressman Amos Townsend, for many years Member from Cleveland, and Charles H. Grosvenor, Member of Congress from Athens, Ohio. We met at Cleveland and spent the next night at Toronto. Thence we proceeded to Montreal, and there received many courtesies from gentlemen distinguished in private and public life. We left Toronto on the night of the 1st of August, in a special car attached to the great through train which then made its journey to Vancouver in about six days. We halted at Sudbury, the point on the Canadian Pacific from which the Sault Ste. Marie line of railway diverges from the main trunk. We spent twenty-four hours at Sudbury, visiting the copper and nickel mining operations, then in their infancy. Proceeding, we passed the head of Lake Superior, and thence to Winnipeg. At this place the officers of the provincial government showed us many attentions, and I was especially delighted by a visit I made to Archbishop Taché of the Catholic church, a very aged man. He had been a missionary among the Indians at the very earliest period of time when missionary work was done in that section. He had been a devoted and faithful man, and now, in the evening of his life, enjoyed the greatest respect and received the highest honors from the people of his neighborhood, regardless of race or religion.

Proceeding from Winnipeg, we entered the great valley of the Saskatchewan, traversed the mighty wheat fields of that prolific province, and witnessed the indications of the grain producing capacity in that portion of Canada, alone quite sufficient, if pushed to its utmost, to furnish grain for the whole continent of America. We spent one night for rest and observation at a point near the mouth of the Bow River, and then proceeded to Calgary. This is the westernmost point where there is arable and grazing lands before beginning the ascent of the Rocky mountains. Here we inspected a sheep ranch

owned by a gentleman from England. It is located at Cochrane, a few miles west of Calgary. It was managed by a young gentleman of most pleasing manners and great intelligence, who was surrounded at the time of our visit by numerous Scotch herdsmen, each of whom had one or more collie dogs. The collie, as everyone knows, is a Scotch production, and it has been imported into this country largely for the service of the great sheep and cattle ranches of the west. One shepherd was about to depart from Canada to reoccupy his home in Scotland, and among his other effects was a collie, passing under the name of Nellie. She was a beautiful animal, and so attracted my attention that at my suggestion General Grosvenor bought her, and undertook to receive her at the train as we should pass east a week or ten days later. The train, on our return, passed Calgary station at about two o'clock in the morning in the midst of a pouring rain storm, but the shepherd was on hand with the dog, and her pedigree carefully written out, and the compliments of Mr. Cochrane, and his assurance that the pedigree was truthful. Nellie was brought to Ohio, and her progeny is very numerous in the section of the state where she lived and flourished.

Leaving Calgary, we followed the valley of the Bow River. The current of this river is very swift in the summer, fed as it is by the melting of the snows of the Rocky mountains. We soon began to realize that we were ascending amid the mighty peaks of the great international chain. We spent one day at Banff, the National Park of the Dominion. Here we found water, boiling hot, springing from the mountain side, and a magnificent hotel — apparently out of all proportion to the present or prospective need — being erected, with every indication of an effort, at least, to make the Canadian National Park a popular place of resort.

All about this region of the country it is claimed there are deposits of gold and silver, and at one point we saw the incipient development of coal mining, coal being produced which was claimed, and it seemed to me with good reason, to be equal in valuable qualities to the Pennsylvania anthracite.

Passing from the National Park and skirting the foot of Giant mountains, we entered the mighty valley of the great Fraser River. The scenery between Calgary and Kamloops is indescribably majestic. We were furnished by the railroad company with a time-table in the form of a pamphlet, and a description of the principal railway stations and surrounding country written by Lady Smith, the wife of Sir Donald Smith, of Montreal, one of the original projectors of the Canadian Pacific railroad. This lady was an artist, a poet, with high literary attainment, and her descriptions of the mountains, of the glaciers, of the rivers and scenery were exceedingly well done. We stopped at one of the company hotels, at the foot of one of the mightiest mountains, whose peak ascends thousands of feet into the air, and at whose base, within a few rods of the entrance to the hotel, was the greatest of the mighty glaciers, almost equal in beauty and grandeur, as seen by us, with the far-famed glacier of the Rhone.

The construction of this railroad through the mountains is a marvel of engineering skill and well illustrates what the persistence and industry of man can accomplish. More than seventy miles of this line, as I remember it, are covered by snowsheds, constructed of stanch timbers along the base of the mountain in such a manner that the avalanches, which occasionally rush down from the mountain top and from the side of the mountain, strike upon the sheds and so fall harmless into the valley below, while the powerful locomotives go rushing through the snowsheds, heedless of the dangers overhead.

The Fraser River was full of camps of men engaged in the business of catching, drying and canning the salmon of that stream. The timber along this river is of great importance. The Canadian fir and other indigenous trees line the banks and mountain sides in a quantity sufficient to supply the demand of the people of that great country for many years to come. But it was unpleasant to witness the devastation that the fires had made by which great sections of the forests had been killed. The Canadian government has made a determined effort to suppress these fires in their forests and upon their plains, and it is one of the duties of the mounted police force,

which we saw everywhere along the line of the road, to enforce the regulations in regard to the use of fire, but, naturally and necessarily, nearly all these efforts are abortive and great destruction results.

Vancouver, at the mouth of the Fraser, is the terminus of the Canadian Pacific railway. At this point steamers are loaded for the China and Japan trade and a passenger steamer departs daily, and perhaps oftener, for Victoria, an important city at the point of Vancouver Island. We had a delightful trip on this steamer, running in and out among the almost numberless islands. It was an interesting and yet most intricate passage.

At Victoria we were entertained by gentlemen of public position and were also shown many attentions by private citizens. We were invited to attend a dinner on board of a great British war vessel, then lying at Esquimalt. A canvass of our party disclosed the fact that our dress suits had been left at Vancouver, and being on foreign soil and under the domination of her British majesty's flag, we felt that it was impossible to accept the invitation, and so, with a manifestation of great reluctance on the part of my associates, the invitation was declined.

We went by steamer to Seattle, Washington Territory, where we remained over night and were very kindly received and entertained by the people. Among the persons who joined in the reception were Watson C. Squire and his wife, then residents of the territory. Mr. Squire, after the admission of Washington as a state, became one of its Senators.

We were joined on this part of our journey by Carter H. Harrison, of Chicago, whose fourth term of office as mayor had just closed, and who was escorting his son and a young friend on a journey around the world. While waiting for the departure of the Canadian Pacific steamer from Vancouver, he joined in this excursion through the sound. He was a most entertaining conversationalist, and we enjoyed his company greatly.

There was much rivalry at that time between the growing cities of Seattle and Tacoma. At a reception at Seattle, one of

the party, in responding to a call for a speech, spoke of having inquired of a resident of Seattle as to the whereabouts of Mount Tacoma. He said he was informed by the person to whom he applied that there was no Mount Tacoma. On stating that he had so understood from citizens of Washington Territory, he was informed that somebody had been humbugging him, that there was not then and never had been a Mount Tacoma. The gentleman was informed, however, that in the distance, enshrouded in the gloom of fog and smoke, there was a magnificent mountain, grand in proportions and beautiful in outline, and the mountain's name was Rainier. Later on he said he had inquired of a citizen of Tacoma as to the whereabouts, from that city, of Mount Rainier, and the gentleman, with considerable scorn on his countenance, declared that there was no such mountain, but in a certain direction at a certain distance was Mount Tacoma. The gentleman closed his speech by saying, whether it was Mount Tacoma or Mount Rainier, our party was unanimously in favor of the admission of Washington Territory into the Union.

We visited some sawmills at Tacoma where lumber of monstrous proportions and in great quantities was being produced by a system of gang saws. This is a wonderful industry and as long as the material holds out will be a leading one of that section. The deep waters of Puget Sound will always offer to the industrious population of Washington ample and cheap means of transportation to the outside market, and I predict a great future for the state.

We returned east more hastily and with fewer stops than in the western journey. We spent a night at Port Arthur, and the next day, embarking upon one of the great steamers of the Canadian Pacific line, found among our fellow-passengers Goldwin Smith, the distinguished Canadian writer and statesman. We had a most pleasant trip, arriving at Owen Sound without special incident; thence to Toronto, and by steamer to Niagara, where we remained until the next day, when our party separated for their several homes. The trip occupied exactly a month and was full of enjoyment from the beginning to the end.

After my return home I wrote a note to General Sherman, describing my impressions of the country. In this I said:

"My trip to the Pacific over the Canadian railroad was a great success. We traveled 7,000 miles without fatigue, accident or detention. We stopped at the chief points of interest, such as Toronto, Montreal, Sudbury, Port Arthur, Winnipeg, Calgary, Banff, Donald, Glacier House, Vancouver, Victoria, Seattle and Tacoma, and yet made the round trip within the four weeks allowed. We did not go to Alaska, because of the fogs and for want of time. The trip was very instructive, giving me an inside view of many questions that may be important in the future. The country did not impress me as a desirable acquisition, though it would not be a bad one. The people are hardy and industrious. If they had free commercial intercourse with the United States, their farms, forests, and mines would become more valuable, but at the expense of the manufactures. If the population of Mexico and Canada were homogeneous with ours, the union of the three countries would make the whole the most powerful nation in the world."

I then entered into the canvass. I attended the state fair at Columbus on the 2nd of September, first visiting the Wool Growers' Association, and making a brief speech in respect to the change in the duty on wool by the tariff of 1883. I reminded the members of that association that they were largely responsible for the action of Congress on the wool schedule, that while all other interests were largely represented before the committees of Congress, they were only represented by two gentlemen, Columbus Delano and William Lawrence, both from the State of Ohio, who did all they could to prevent the reduction. Later in the day I attended a meeting of the state grange, at which several speeches had been made. I disclaimed the power to instruct the gentlemen before me, who knew so much more about farming than I, but called their attention to the active competition they would have in the future in the growth of cereals in the great plains of the west. I described the wheat fields I had seen far west of Winnipeg, ten degrees north of us in Canada. I said the wheat was sown in the spring as soon as the surface could be plowed, fed by the thawing frosts and harvested in August, yielding 25 to 40 bushels to the acre, that our farms had to compete in most of their crops with new and cheap lands in fertile regions which but a few years before were occupied by Indians and buffaloes. "We must

diversify our crops," I said, "or make machines to work for us more and more. New wants are created by increased population in cities. This is one lesson of many lessons we can learn from the oldest nations of Europe. With large cities growing up around us the farmer becomes a gardener, a demand is created for dairy products, for potatoes, and numerous articles of food which yield a greater profit. In Germany, France and Italy they are now producing more sugar from beets than is produced in all the world from sugar cane. The people of the United States now pay $130,000,000 for sugar which can easily be produced from beets grown in any of the central states." I said much more to the same purport.

I visited all parts of the state fair, and tried to avoid talking politics, but wherever I went on the grounds I found groups engaged in talking about the Toledo convention, and the prospects of Republican or Democratic success. I had been away so long that I supposed the embers left by the convention were extinguished, but nothing, I think, can prevent the Ohio man from expressing his opinion about parties and politics. I met William Lawrence, one of the ablest men of the state as a lawyer, a judge and a Member of Congress. An interview with him had recently been published in respect to the resolution indorsing my candidacy. This was frequently called to my attention, and though I had not then read it, my confidence in him was so great I was willing to indorse anything he had said.

On the 7th of September I attended a soldiers' meeting at Bellville, in Richland county, where it was said upwards of 4,000 people took part. I made quite a long talk to them, but was far more interested in the stories of men who had served in the war, many of whom gave graphic accounts of scenes and incidents in which they had taken part. I have attended many such meetings, but do not recall any that was more interesting. The story of the private soldier is often rich in experience. It tells of what he saw in battle, and these stories of the soldiers, told to each other, form the web and woof out of which history is written. It was useless to preach to these men that Providence directly controls the history of nations. A good Presbyterian would find in our history evidence of the truth of his

theory that all things are ordained beforehand. Certain it is that the wonderful events in our national life might be cited as an evidence of this theory. I do reverently recognize in the history of our war, the hand of a superintending Providence that has guided our great nation from the beginning to this hour. The same power which guided our fathers' fathers through the Revolutionary War, upheld the arms of the soldiers of the Union army in the Civil War, and I trust that the same good Providence will guide our great nation in the years to come.

I made my opening political speech in this campaign at Wilmington, on the 15th of September. Clinton county is peopled almost exclusively by a farming community, whose rich upland is drained by the waters of the Scioto and Miami Rivers. My speech, not only on this occasion, but during the canvass in other parts of the state, was chiefly confined to a defense of the Republican party and its policy while in power, which I contrasted with what I regarded as the feebleness of Mr. Cleveland's administration. I touched upon state matters with brevity, but complimented our brilliant and able governor, Foraker. I referred to the attacks that had been made upon me about my speech in Springfield, Illinois, and said that no one had answered my arraignment, except by the exploded cry of "the bloody shirt," or claimed that a single thing stated by me as a fact was not true. I referred to the "tenderfoot" who would not hurt anyone's feelings, who would banish the word "rebel" from our vocabulary, who would not denounce crimes against our fellow-citizens when they occurred, who thought that, like Cromwell's Roundheads, we must become accustomed to the court of King Charles, that we must surrender our captured flags to the rebels who bore them, and our Grand Army boys, bent and gray, must march under the new flag, under the flag of Grover Cleveland, or not hold their camp fires in St. Louis. In conclusion, I said:

"But I will not proceed further. The immediate question is whether you will renew and ratify the brilliant administration of Governor Foraker, and support him with a Republican legislature. I feel that it is hardly necessary to appeal to the good people of Clinton county for an overwhelming vote in favor of a man so well known and highly respected among you,

and whose associates on the state ticket are among the most worthy and deserving Republicans of Ohio. I call your attention to the special importance of the election of your candidates for senator and member of the house. It is of vital importance to secure a Republican legislature to secure and complete the good work of the last. Our success this fall by a good majority will be a cheering preparation for the grand campaign of the next year, when we shall have an opportunity again to test the question whether the Republican party, which conducted several administrations in the most trying period of American history with signal success, shall be restored to power to renew the broad national policy by which it preserved the Union, abolished slavery and advanced the republic, in strength, wealth, credit and varied industries, to the foremost place among the nations of the world."

In the latter part of September, I made an address to the farmers of Wayne county, at Lyons, New York. The county borders on Lake Ontario. Its surface is undulating, its soil generally fertile, and beneath are iron ore, limestone, gypsum, salt and sulphur springs. Its chief products are dairy and farm produce and live stock. I said that my experience about a farm was not such as would justify me in advising about practical farming, that I was like many lawyers, preachers, editors and Members of Congress, who instinctively seek to get possession of a farm, not to show farmers how to cultivate land, but to spend a good portion of their income in a healthy recreation, that Horace Greeley and Henry Ward Beecher were, when living, good specimens of this kind of farmers; that they all soon learned by sad experience that—

"He that by the plow would thrive,
Himself must either hold or drive."

I claimed to be one of the farmers whose potatoes and chickens cost more than the market price. Still, those engaged in professional pursuits, and especially Members of Congress, have to study the statistics of agriculture because upon the increase and diversity of its varied productions depend the wealth and progress of the country for which we legislate. I will not undertake to repeat in any detail what I said. I drew the distinction between the work of a mechanic and the work of a farmer; the mechanic had but a single employment and sometimes confined himself to the manufacture

of a single article, but the farmer must pursue the opposite course. He must diversify his crops each year, and the nature of his labors varies with the seasons. His success and profit depend upon the diversity of his productions, and the full and constant occupation of his time. I described what I had seen in the far-off region near the new city of Tacoma on Puget Sound, where the chief employment of the farmer is in raising hops, and also the mode of producing wheat in the vast plains of Canada, which, now that the buffalo is gone, are plowed in the spring, sown in wheat and left unguarded and untended until ready for the great machines which cut and bind the crop and thrash it ready for the market. I described the production of the celery plant in the region of Kalamazoo, Michigan, where a large portion of the soil is devoted to this vegetable. As each region varied in climate, soil and market, the occupation of farmers had to vary with the conditions that surrounded them. The great cereals, such as wheat, corn, oats and barley, can be produced in most parts of the United States. Our farmers ought constantly to diversify their crops and add to the number of their productions. Attention had been recently turned to the possibility of producing beet sugar in the northern states, the great obstacle being the cost of the factory and machinery which, to secure profitable results, could not be erected for less than $200,000, but I predicted that this industry would be established and sugar sufficient for our wants would be produced in our own country. I referred to the great advance made in the methods of farming, during the past forty years, with the aid of new inventions of agricultural implements and new modes of transportation, and the wonderful progress that had been made in other fields of invention and discovery, and in conclusion said:

"And so in mental culture, in the knowledge of chemistry, in granges and fairs, in books, magazines and pamphlets devoted to agriculture, the farmer of to-day has the means of information which lifts his occupation to the dignity of a science. The good order of society now rests upon the intelligence and conservatism of the farmers of the United States, for to them all classes must look for safety against the dogmas and doctrines that threaten the social fabric, and sacred rights of persons and property, and I believe the trust will not be in vain."

I spoke nearly every day during the month of October, in different parts of the State of Ohio. I do not recall a town of importance that I did not visit, nor a congressional district in which I did not speak. Governor Foraker was even more active than I was. His speeches were received with great applause, and his manners and conduct made him popular. The only danger he encountered was in the active movement of the Prohibition party. This party ran a separate ticket, the voters of which, it was feared, would mainly come from the Republican party. In a speech I made at Oberlin, on the 4th of November, I made an appeal to our Prohibition friends to support the Republican ticket. I said:

"There are but two great parties in this country, one or the other of which is to be put in power. You have a perfect right to vote for the smaller Prohibition party, and thus throw away your vote, but you know very well that either a Republican or a Democratic legislature will be elected, and that there will not be a single Prohibition candidate elected. Will it not be better to choose between these two parties and give your assistance to the one that has done the most for the success of your principles? We think the Republican party is still entitled, as in the past, to your hearty support. Among other of its enactments there is the 'Dow law,' looked upon by you with suspicion, yet it has done more for temperance than your 'prohibition laws' at present could have done. That law enables you to exclude the sale of liquor in more than 400 Ohio towns. It was passed by a Republican legislature. By it more than 3,000 saloons have been driven out of existence.

"Then you have the repeated declaration of the Republican party, a party that never deceived the people with false promises, that they will do anything else that is necessary, or all that is possible by law, to check the evils that flow from intoxicating drinks.

"Is there not a choice between that party and the Democratic party, which has always been the slave of the liquor party, and whose opposition to the enforcement of the Dow law cost the state $2,000,000? The Democratic party, if put in power, will repeal that law and will do nothing for prohibition that you will accept. They say they want license, but they know it can never be brought about without a change in the constitution. They want the liquor traffic to go unrestrained. It does seem to me that with all the intelligence of this community it is the duty of all its candid men, who are watching the tendencies of these two parties in this country, not to throw their votes away.

"It is much better to do our work by degrees, working slowly in the right direction, than to attempt to do it prematurely by wholesale, and fail. More men have been broken up by attempting too much than by 'going slow.'

"Your powerful moral influence, if kept within the Republican party, will do more good, a thousandfold, than you can do losing your vote by casting it for a ticket that cannot be elected. Next year will present one of the most interesting spectacles in our history. The Republican party will gather its hosts of progressive and patriotic citizens into one grand party at its national convention, and I trust that when that good time comes our Prohibition friends and neighbors who stand aloof from us will come back and join the old fold and rally around the old flag of our country, the stars and stripes, and help us to march on to a grand and glorious victory."

I closed my part of the canvass on the 5th of November, at Music Hall, Cleveland, one of the finest meetings I ever attended. General E. S. Meyer and D. K. Watson shared in the speaking.

The result of the election, on the following Tuesday, gave Governor Foraker a plurality of 23,329 over Thomas E. Powell, and the legislature was Republican in both branches.

During the canvass I felt specially anxious for the election of Governor Foraker and a Republican legislature. Some doubts had been expressed by members of the Toledo convention whether the resolution favoring my nomination for President would not endanger the election of Governor Foraker, and his defeat would have been attributed to that resolution. I did not believe it could have that effect, yet the fear of it led to my unusual activity in the canvass. I was very much gratified with the result. Before and after the election the general discussion was continued in the newspapers for and against my nomination, upon the presumption that the contest would lie between Mr. Blaine and myself.

The election in New York was adverse to the Republican party, and this and his feeble health no doubt largely influenced Mr. Blaine in declining to be a candidate for the nomination. Upon the surface it appeared that I would probably be the nominee, but I took no step whatever to promote the nomination and resumed my duties in the Senate with a firm resolve not to seek the nomination, but to rest upon the resolution adopted at Toledo. When letters came to me, as many did, favoring my nomination, I referred them to Green B. Raum, at that time a resident in Washington, to make such answer as he thought expedient.

CHAPTER LIV.

Cleveland's Extraordinary Message to Congress.

First Session of the 50th Congress — The President's "Cry of Alarm" — Troubled by the Excess of Revenues Over Expenditures — My Answer to His Doctrines — His Refusal to Apply the Surplus to the Reduction of the Public Debt — The Object in Doing So — My Views Concerning Protection and the Tariff — In Favor of a Tariff Commission — "Mills Bill" the Outcome of the President's Message — Failure of the Bill During the Second Session — My Debates with Senator Beck on the Coinage Act of 1873, etc. — Omission of the Old Silver Dollar — Death of Chief Justice Waite — Immigration of Chinese Laborers — Controversy with Senator Vest — Speech on the Fisheries Question — Difficulties of Annexation with Canada.

THE 50th Congress convened on the 5th of December, 1887, and was promptly organized, the Senate being Republican, and the House Democratic. During this long session of about eleven months, nearly every question of political or financial importance in American politics was under discussion, and I was compelled, by my position on the committees on foreign relations and finance, to take an active part in the debates.

On the 6th the President sent to Congress his annual message, in which he departed from the established usage of his predecessors, who had presented in order the subjects commented upon, commencing with a summary of our relations with foreign nations, and extending to the business of all the varied departments of the government. Instead of this he abruptly opened with a cry of alarm, as follows:

"To the Congress of the United States.

"You are confronted, at the threshold of your legislative duties, with a condition of the national finances which imperatively demands immediate and careful consideration."

This threatening announcement of a great national danger startled the general public, who had settled down into the

conviction that all was going on very well with a Democratic administration. The President said that the amount of money annually exacted largely exceeded the expenses of the government. This did not seem so great a calamity. It was rather an evidence of good times, especially as he could apply the surplus to the reduction of the national debt. Then we were told that:

"On the 30th day of June, 1885, the excess of revenue over public expenditures, after complying with the annual requirement of the sinking fund act, was $17,859,735.84; during the year ended June 30, 1886, such excess amounted to $49,405,545.20; and during the year ended June 30, 1887, it reached the sum of $55,567,849.54."

In other words we had an excess of revenue over expenditures for three years of about $122,000,000. The sinking fund during that three years, as he informed us, amounted in the aggregate to $138,058,320; that is, that we had stipulated by law to pay of the public debt that sum during three years, and had been able to pay all we agreed to pay, and $122,000,000 more. He did not state that during and subsequent to the panic of 1873 the United States did not pay the sinking fund, and this deficiency was made good during the prosperous years that followed 1879. Upon the facts stated by him he based his extraordinary message. The only recommendation made by him was a reduction of taxation. No reference to the vast interests intrusted to the departments other than the treasury was made by him except in a brief paragraph. He promised that as the law makes no provision for any report from the department of state, a brief history of the transactions of that important department might furnish the occasion for future consideration.

I have a sincere respect for President Cleveland, but I thought the message was so grave a departure from the customary annual message of the President to Congress that it ought to be answered seriatim. I did so in a carefully prepared speech. The answer made can be condensed in a few propositions: An increase of revenue (the law remaining unchanged) is an evidence of unusual trade and prosperity. The surplus revenue, whatever it might be, could and ought to be applied to the reduction of the public debt. The law

under which the debt was created provided for this, by requiring a certain percentage of the debt to be paid annually, and appropriating the surplus revenue for that purpose. Under this policy it was estimated that the debt would be paid off prior to 1907.

But experience soon demonstrated that, whatever might be the law in force, the revenues of the government would vary from year to year, depending, not upon rates of taxation, but upon the financial condition of the country. After the panic of 1873, the revenues were so reduced that the sinking fund was practically suspended by the fact that there was no surplus money in the treasury to meet its requirements. At periods of prosperity the revenues were in excess of the current expenses and the sinking fund, and in such conditions the entire surplus revenue, was applied to the reduction of the public debt and thus made good the deficiency in the sinking fund in times of financial stringency. This was a wise public policy, fully understood and acted upon by every Secretary of the Treasury since the close of the war and prior to Mr. Manning.

Another rule of action, founded upon the clearest public policy, had been observed prior to the incumbency of Mr. Cleveland, and that was not to hold in the treasury any form of money in excess of a reasonable balance, in addition to the fund held to secure the redemption of United States notes. All sums in excess of these were promptly applied to the payment of the public debt, and, if none of it was redeemable, securities of the United States were purchased in the open market. It was the desire of Congress and every Republican Secretary of the Treasury, in order to comply with the sinking fund law, to apply the surplus to the gradual reduction of the debt. While I was secretary I heartily coöperated with the committees of Congress in reducing appropriations, and in this way was enabled to maintain the reserve, and to reduce the interest-bearing public debt.

The policy of Mr. Cleveland and Secretary Manning was to hoard in the treasury as much of the currency of the country as possible, amounting sometimes to more than $200,000,000.

and this created a stringency which affected injuriously the business of the country. It was the policy of all the early Presidents to apply any surplus revenue either to the reduction of the public debt or to public objects.

Mr. Jefferson, in his message of 1806, says: "To what object shall the surplus be appropriated? Shall we suppress the impost, and thus give that advantage to foreign over domestic manufacturers?" He believed the patriotism of the people would "prefer its continuance and application for the purposes of the public education, roads, rivers and canals." This was in exact opposition to the policy proposed by Mr. Cleveland, who refused to apply the surplus revenue to the reduction of the debt, and in his extraordinary message demanded a reduction of duties on foreign goods. A larger surplus revenue had frequently, from time to time, been wisely dealt with by Republican administrations. It had either been applied by the executive authorities to the payment of the public debt, or its accumulation had been prevented by Congress, from time to time, by the reduction or repeal of taxes. In the administration of each of Mr. Cleveland's predecessors since the close of the war, this simple remedy had been applied without neglecting other matters, or raising a cry of alarm. It was apparent that the object of the President was to force the reduction of duties on imported goods, which came into competition with domestic products, and that the accumulation of money in the treasury was resorted to as a means to compel such a reduction.

On the 19th of July, 1886, I had called the attention of the Senate to the difficulty and danger of hoarding in the treasury surplus revenue, and the readiness of the Senate to provide for the reduction of taxes and the application of the surplus. The revenues could have been reduced without endangering domestic industries. At the date of his extraordinary message both Houses of Congress were quite ready to reduce taxes. Full authority had been given to the Secretary of the Treasury to apply surplus revenue to the purchase of United States bonds. But the President, set in his opinion, was not satisfied with such measures, but demanded the reduction of duties which protected American industries.

The greater part of my speech in reply to the President's message was a discussion of the different forms of taxation imposed by the United States and especially the duties imposed on imported goods. I never was an extreme protectionist. I believed in the imposition of such a duty on foreign goods which could be produced in the United States as would fairly measure the difference in the cost of labor and manufacture in this and foreign countries. This was a question not to be decided by interested capitalists, but by the careful estimate of business men. The intense selfishness exhibited by many of those who demanded protection, and the error of those who opposed all protection, were alike to be disregarded.

I believe that no judicious tariff can be framed by Congress alone, without the help of a commission of business men not personally interested in the subject-matter, and they should be aided by experienced officers in the revenue service. I have participated in a greater or less degree in the framing of every tariff law for forty years. I have spoken many times on the subject in the Senate and on the rostrum. My reply to the President's message is the best exposition I have made as to the principles and details of a protective tariff. If I had my way I would convene such a tariff commission as I have discussed, give it ample time to hear and gain all information that could aid it, and require it to report the rates of duty proposed in separate schedules so that the rate of each schedule or paragraph might be raised or lowered from time to time to meet the wants of the treasury. If Congress would allow such a bill to become a law we could dismiss the tariff free from party politics and lay the foundation for a durable system of national taxation, upon which domestic industries may be founded without the hazard which they now encounter every year or two by "tinkering with the tariff."

The real controversy raised by the President's message was not whether taxes should be reduced, but what taxes should be reduced or abolished. I stated the position of the two parties in a debate with Mr. Kenna, as follows:

"There is a broad line of division between the two parties as they exist now and as they will exist in the future. The President says, 'retain all

internal taxes and reduce the duties on imported merchandise that come in competition with home industries.' We say we will not strike down any prospering industry in this country; that where manufactures have sprung up in our midst by aid of a duty, this protection, as you call it, we will not reduce; we will not derange contracts, industries, or plans, or lower the prices of labor, or compel laborers or manufacturers to meet any sudden change or emergency. We say that we are willing to join with you in reducing the taxes. We will select those taxes that bear most heavily upon the people, especially internal taxes, and repeal those. We will maintain the policy of protection by tariff duties just as long as it is necessary to give our people the benefit of a home market, and diversified productions a fair chance in the trade and commerce of our country, but we will not invite into our country foreign importations to compete with and break down our home industries."

The bill entitled "A bill to reduce taxation and simplify the laws in relation to the collection of the revenue," known as the Mills bill, was the outcome of the President's message. It was reported to the House of Representatives by Roger Q. Mills, of Texas, and thus obtained its name. Mr. Mills, on the 17th of April, called it up for consideration, and it was debated and amended, and passed the House on the 21st of July, more than seven months after the President's cry of alarm, by the close vote of 162 yeas to 149 nays. Samuel J. Randall, then absent and sick, desired his colleague to pair him against the bill, as, if present, he would record his vote in opposition to the bill. It came to the Senate and was referred to the committee on finance. On the 8th of October Mr. Allison, from that committee, reported back the Mills bill with a substitute for the entire bill. This substitute was a careful and elaborate protective tariff bill, containing some provisions I did not approve, but, in its general provisions, was, in my opinion, a far better bill than the Mills bill. The debate on these rival bills continued until the close of the session on the 19th of October, when the Senate, by a resolution, authorized and directed the committee on finance to continue during the recess of Congress the investigation of such revenue measures, including the Senate and House bills, as had been referred to the Senate.

The history of the bills during the second session of this Congress is easily told. They were debated in the Senate nearly every day until the 22nd of January, 1889, when the

amendment of the Senate was adopted as a substitute for the entire Mills bill, by the close vote of 32 yeas to 30 nays. It was debated in the House of Representatives and referred to its committee of ways and means. It was reported by the committee to the House of Representatives, with a resolution declaring that the action of the Senate in substituting an entire bill for the House bill was in violation of the constitution. No action was taken on this resolution, and then all tariff legislation was defeated for that Congress.

On the 6th of March, 1888, Senator Beck made a rambling speech commencing with a fierce denunciation of a bill then pending to grant pensions to certain disabled soldiers of the Union army. He then veered off on the tariff and the great trusts created by it. I ventured, in a mild-mannered way, to suggest to him a doubt whether trusts were caused by the tariff, whether they did not exist as to domestic as well as foreign productions. I named to him the whisky trust, the cotton-seed trust and other trusts of that kind, and wanted to know how these grew out of the tariff. Thereupon he changed his ground and took up the silver question and commenced assailing me for the coinage act of 1873, saying I was responsible for it. He said it was secretly passed, surreptitiously done, that I did it, that I knew it.

I promptly replied to that charge by showing from the records that the act referred to, and especially the part of it relating to the silver dollar, was recommended by Mr. Boutwell, the Secretary of the Treasury, and all the officers connected with coinage and the mints, that it was debated at great length for three successive sessions in both Houses, that it was printed thirteen times, and that the clause omitting the old silver dollar was especially considered and the policy of it fully debated, and a substitute for the old dollar was provided for by each House. I can say with confidence that every Member of the Senate but Beck felt that he had been worsted in the debate, and that the charge aimed at me, but which equally applied to Morrill and Bayard, and especially to all the Senators from the silver states who earnestly and actively supported the bill, was thoroughly refuted.

Senator Beck, chafed by his defeat, on the 13th of March made in the Senate a three hours' speech in support of his position. Instead of going to the public records and showing by them whether or not the law was put through the Senate in a secret way, he quoted what several Senators and Members said they did not know, what Grant did not know, a mode of argument that if of effect would invalidate the great body of the legislation of Congress.

I replied in a speech occupying less than half an hour, producing the original bill as it came from the treasury department with the dollar omitted from the silver coins, with the report of the Secretary of the Treasury calling attention to its omission, and the opinion of Knox, Linderman, Patterson, Elliott, all of whom were prominent officers of the treasury department in charge of currency and coinage, giving fully the reasons why the old silver dollar was omitted. I also quoted from the record of each House of Congress, showing that special attention was called to the omission of the old silver dollar by Mr. Hooper, having charge of the bill. The House of Representatives, in compliance with the advice of Comptroller Knox, did authorize in its bill, which it passed, a subsidiary dollar containing 384 grains of standard silver, the same weight as two half dollars, but these dollars were, like the subsidiary fractional coins, a legal tender for only five dollars. When this bill came to the Senate it was thoroughly debated. The legislature of California petitioned Congress for a silver dollar weighing more than the Mexican dollar instead of the subsidiary dollar provided for by the House. In compliance with this petition, the Senate so amended the bill as to authorize the owner of silver bullion to deposit the same at any mint, to be formed into bars or into dollars of the weight of 420 grains, designated as "trade dollars." These dollars were intended solely for the foreign trade, and were worth in the market only the value of 420 grains of standard silver. It was the dollar desired by the silver producing states, and but for the rapid decline in the price of silver, which made this dollar worth less than its face in gold, the mint would probably be coining them to-day; but before the mint was closed to their coinage more than 35,000,000

pieces had been made. No unprejudiced person could claim that the charges of Mr. Beck were not completely answered.

On the 23rd of March Chief Justice Waite, of the Supreme Court of the United States, died at his residence in Washington. Upon the 27th, upon my motion, the Senate adopted a resolution that a committee of five Senators be appointed by the chair, whose duty it should be to accompany the remains of the chief justice to Toledo, in the State of Ohio, and attend the funeral there. The committee appointed were Messrs. Sherman, Allison, Evarts, George and Gray. They attended the funeral as directed. Chief Justice Waite was born in Connecticut, but lived all his manhood life in Toledo, Ohio, until appointed by President Grant as chief justice. He was an able lawyer and a patient, conscientious and learned judge.

On the 1st of March I was directed by the committee on foreign relations to report the following resolution:

"*Resolved by the Senate of the United States*, That, in view of the difficulties and embarrassments that have attended the regulation of the immigration of Chinese laborers to the United States, under the limitations of our treaties with China, the President of the United States be requested to negotiate a treaty with the Emperor of China, containing a provision that no Chinese laborer shall enter the United States."

After a brief debate, participated in by Senators Morgan, Stewart, Mitchell and others, I made a few remarks, commencing as follows:

"Whatever differences there may have been in the Senate or in the country, with regard to the restriction of Chinese immigration, the time has come when I believe the general sentiment of the people is, that the law on the subject should be fairly enforced; that the Chinese laborer should be excluded from enjoying the benefits of our country, because he will not adapt himself to the civilization of our country. That feeling is most strongly expressed by Senators and Representatives from the Pacific coast, among whom the 100,000 or more Chinese in the country live, and they have expressed that opinion to the committee on foreign relations so decidedly and unanimously, and supported by such potent reasons, that I believe every member of that committee is of the opinion that the object of the law to exclude the immigration of Chinese laborers should be effectively carried out."

The resolution was adopted.

During this Congress the question of excluding Chinese immigration by treaty and by law was pending and copiously debated. There seemed to be a general concurrence that such immigration was not desirable, and that Chinese coolies should be absolutely excluded. A treaty was negotiated providing for such exclusion, but, as there was a long delay by the Chinese government in ratifying it, and the coolies still continued to come, bills were introduced in Congress prohibiting, under severe penalties, the immigration of all Chinese laborers. Before the bill became a law the treaty was ratified. Now, both by treaty and by law, such immigrants are excluded, but in spite of law and treaty they still come in lessening numbers, and it does not appear how they can be entirely excluded. I have been in favor of the exclusion of Chinese laborers when practically they are slaves, but have sought to moderate the legislation proposed, so as not to disturb our friendly relations with China, or to exclude educated Chinamen engaged in commercial pursuits.

On the 18th of April I made a speech on a bill for the admission of Dakota, as a state, into the Union. That territory had more than the usual population of a new state, but its admission had been postponed, year after year, by the action of the Democratic party. This speech led to a long debate between Mr. Vest and myself on the election in Louisiana in 1876. It is not an unusual occurrence to change the subject of discussion in the Senate where debate is unlimited. I made a long review of events in Louisiana, mainly in reply to a question put by Mr. Vest as follows.

"I have never understood, and the people of this country have never been able to understand, why Packard was not elected governor with a larger number of votes than Hayes received for President. But Packard was thrown out and sent as consul to Liverpool, and Hayes was sworn in as President of the United States."

To this I replied that the returning board was invested with power to pass upon the election of electors and they did perform that duty, but the question of the election of a governor and a legislature of Louisiana could only be passed upon by the legislature itself, each house being the judge of its own

elections, and the two houses, when organized, had the sole and exclusive power to pass upon the election of a governor. This condition of affairs led to a controversy which endangered the public peace and involved the use of the United States troops to prevent civil war. President Hayes thereupon had selected five gentlemen, Charles B. Lawrence, Joseph R. Hawley, John M. Harlan, John C. Brown and Wayne MacVeagh, each of whom was a man of marked distinction in the community in which he lived. They were sent to Louisiana to inquire and report upon the existing condition of affairs bordering on a state of civil war between the opposing factions. They were instructed to promote, as far as possible, the organization of a legislature, so that it might pass upon the question who was governor of the state. The result of their inquiry led to the organization of the legislature, and when so organized it recognized Nichols as Governor of Louisiana, as it clearly had the right to do. The returning board had the unquestioned right to pass upon the election of electors for President, but it was equally clear that the legislature was invested with the sole power of passing upon the election of the governor. The returning board certified to the election of the Hayes electors, and the legislature determined that Nichols was elected governor. Although these decisions were inconsistent with each other yet each was legal and binding. I took occasion in this speech to defend the action of the returning board, and especially the two leading members, J. Madison Wells and Thomas A. Anderson, both of whom were men of high character and standing in that state.

In the course of this debate Vest and Butler charged me with inconsistency in my speeches at Nashville and Springfield. This allegation had been frequently made in the newspapers of the time. In reply I said:

"I am much obliged to my friend from Missouri for his kindness in reading extracts from my speeches. They sound much better to me read by him than when spoken by myself. The speeches speak for themselves, particularly the one at Nashville. Every word I uttered on that night I utter now. If I could repeat it over, I would add emphasis to give force and effect to it, and so I feel about the south. I have not the slightest feeling of hostility

against the south, and no desire in regard to it, except to preserve and protect the rights of all the people of the south.

"Now, in regard to my speech at Springfield, every word of that is true. Why does not the Senator dispute some fact stated in that speech? That was a review made to a legislature — indeed, both speeches were made to legislative assemblies, dignified and honorable men. I was speaking in sight of the monument of Lincoln; I was recalling the incidents of Lincoln's life, the period of the war, and referred, of course, to the Democratic party north and south. I could not truthfully draw a more flattering picture. The one was a speech as to the future to men who, I believed, were hopefully looking forward to the disappearance of the feelings of the war. The other was a recapitulation and review of the past. Every word of it was true. If the Senator can point out the inconsistency in these speeches, he will oblige me. There is not a single word in one inconsistent with the other. I did denounce the course of the Democratic party north and south, during and since the war, especially in regard to the reconstruction measures. I did, at Nashville, speak hopefully, and I feel hopefully, of the future, but it is only upon the basis of the recognized rights of every American citizen."

On the 16th of July I made a speech in favor of the passage of a bill for the erection of a monument to General George Rogers Clark, of the American Revolution. His march through the wilderness and attack upon the British posts in the northwestern territory, was one of the most brilliant events in the Revolutionary War. The bill passed the Senate and was reported to the House, but was not acted upon. It is one of the obligations of honor and duty which, I trust, will be discharged by the United States before many years.

On the 24th of August a message from the President, in regard to the fishing rights of the United States, was read in the Senate. I moved that the message be referred to the committee on foreign relations. Before this motion was put quite an extended debate took place mainly between Senators Edmunds and Morgan, though several other Senators took part. I made a speech expressing my opinion of the President's position on the fishery question, and then took occasion to refer to the surplus in the treasury in the following words:

"It seems to me that the position taken by the President is a good deal like that held by him as to the payment of the public debt. My former old and honored colleague [Mr. Thurman] is going around through the country talking about the surplus money in the treasury, there accumulated all because we Republicans will not let it out. Of all the financial management that I

have read or know of, the worst is that by the present administration. Here there was an accumulating surplus in the treasury, day by day and year by year, since the first day Mr. Cleveland entered the presidential chair. What did he do with that surplus revenue? He did not make proclamation of it for two or three years, but let it accumulate and accumulate until he did not know what to do with it. Finally the attention of the administration was called to the fact that they ought to buy bonds with it. Well, Mr. Cleveland, with his sharp construction, thought he had not the power to buy bonds; he thought he could not do it legally. The law confers the power upon the Secretary of the Treasury.

"The President had no more power over it than the Senator from Connecticut before me [Mr. Platt] has. The law confers it upon the secretary; it was his duty to buy bonds. What untold sums have been lost by his failure to comply with that law. Until recently, during nearly all the administration of Mr. Cleveland, the four per cent. bonds have been sold in the market at about 123. I have here the American almanac giving the value of the four per cent. bonds during his administration, and they have been usually sold at 123. If the United States had quietly watched the opportunities in the way the present secretary's predecessors had done, he could have gone into the market and absorbed those bonds, to the amount of half a million or a million at a time, and bought them at the market price, 123, and then how much money would have been saved to the government of the United States.

"My former colleague says they have over $100,000,000 of surplus. If they had applied that one hundred million in the purchase of bonds they would have saved four per cent. per annum for three years—that is, twelve per cent. And besides, they would have saved six or seven per cent. lost by the advance of bonds. At any time during the administration of Mr. Cleveland, if his Secretary of the Treasury had exercised the power conferred on him by the law, he might have saved the government of the United States from twelve to sixteen per cent. on the whole hundred million of dollars, if he had invested it in bonds of the United States. But he would not do it because he had not the power. So the President sent to Congress and asked for power, just as he has done in this case, when he had ample power, and both Houses declared unanimously that he had the power, and then, after the bonds had gone up to 127 or 128, when he had lost three years' interest on a large portion of this accumulation, he commenced to buy bonds and complains that they are too high, and that he calls wise financial management.

"So now here is a law, on the statute book for over a year, to enforce a demand on the Canadian authorities that our fishermen, who are there carrying on their hazardous enterprise, should have the right to enter the port of Halifax and ship their goods under the plain provisions of the treaty or the law, and, if that right was denied, then here was the law expressly prepared for that particular case, to authorize the President not to do any violent act

of retaliation, not to involve us in any dangerous or delusive measure which would excite the public mind and probably create animosities between these two great countries. But suppose he had simply said: 'Well, if you deny to the Yankee fishermen the right to transship their fish, we deny you the right to bring fresh fish into Maine, Boston, and New York, and scatter them all over, cured by ice,' for that is the effect of it — ice takes the place of salt."

My allusion to the finances as usual excited the ire of Mr. Beck, who said:

"The Senator from Ohio gets away from the treaty and talks about this administration not buying bonds and how much we could have saved because they have raised the price; but I want to say that he himself was the man, both as Secretary of the Treasury and as chairman of the committee on finance, who arranged our debts in such a way that we could not pay them."

In my reply I again called attention to the fact that the House, of which Mr. Beck was a Member at the time of the passage of the four per cent. bond bill, and not the Senate, was responsible for the long period of the bonds. I said:

"The Senator from Kentucky says I am responsible for the fact that there is the prolonged period of thirty years to the four per cent. bonds. He knows, because he was here the other day when I showed from the public record, that the Senate of the United States proposed to pass a bill to issue bonds running only twenty years, with the right of redemption after ten years; and if the law had been passed in that form in which it was sent from the Senate none of this trouble would have existed; but it was changed by the House of Representatives, of which the Senator from Kentucky was then a Member. I believe he voted for the House proposition against the Senate proposition, by which the time was extended to thirty years, and they were not redeemable during that time. Yet I am charged with the responsibility of lengthening these bonds.

"Whatever my sins, I can claim to have always favored the right to redeem the bonds of the United States as the 5-20's and the 10-40's were issued to be redeemed; and if I had had my way we would have had the same kind of bonds issued instead of the thirty-year bonds."

The relations of Canada with the United States, especially in connection with the fisheries, became at this period dangerously strained. This led me, on the 18th of September, to offer in the Senate the following resolution:

"*Resolved*, That the committee on foreign relations be directed to inquire into, and report at the next session of Congress, the state of the relations of the United States with Great Britain and the Dominion of Canada, with such

measures as are expedient to promote friendly commercial and political intercourse between these countries and the United States, and for that purpose have leave to sit during the recess of Congress."

In support of this resolution I said in opening:

"The recent message of the President recommending a line of retaliation against the Dominion of Canada involves the consideration of our relations with that country in a far more important and comprehensive way than Congress has ever before been called upon to give. The recent treaty rejected by the Senate related to a single subject, affecting alone our treaty rights on her northeastern coast. The act of retaliation of 1887 was confined to the same subject-matter. This message, however, treats of matters extending across the continent, affecting commercial relations with every state and territory on our northern boundary. Under these circumstances I feel it is my duty to present my views of all these cognate subjects, and in doing so I feel bound to discard, as far as possible, all political controversy, for in dealing with foreign relations, and especially those with our nearest neighbor, we should think only of our country and not of our party."

The real difficulty of dealing with Canada is its dependence on Great Britain. Our negotiations must be with the English government, while the matters complained of are purely Canadian, and the consent of Canada is necessary to the ratification of any treaty. The President complained that Canadian authorities and officers denied our fishermen the common privileges freely granted to friendly nations to enter their ports and harbors, to purchase supplies and transship commodities. He said that they subjected our citizens, engaged in fishing enterprises in waters adjacent to their northeastern shore, to numerous vexatious interferences and annoyances, had seized and sold their vessels upon slight pretexts, and had otherwise treated them in a rude, harsh, and oppressive manner. He further said:

"This conduct has been justified by Great Britain and Canada, by the claim that the treaty of 1818 permitted it, and upon the ground that it was necessary to the proper protection of Canadian interests. We deny that treaty agreements justify these acts, and we further maintain that, aside from any treaty restraints, of disputed interpretation, the relative positions of the United States and Canada as near neighbors, the growth of our joint commerce, the development and prosperity of both countries, which amicable relations surely guaranty, and, above all, the liberality always extended by the United States to the people of Canada, furnished motives for kindness and consideration higher and better than treaty covenants."

I agreed with the President in his arraignment of the Canadian authorities for denying to our fishing vessels the benefit of the enlightened measures adopted in later years by commercial nations, especially by the United States and Great Britain. We admitted fish free of duty into our country, while Canada refused to our fishermen the right to purchase bait and other supplies in Canadian ports, thus preventing our fishermen from competing with Canadians on the open sea. The President undertook, by treaty, to correct this injustice, but the Senate thought that the provisions of the treaty were not adequate for that purpose, and declined to ratify it. He thereupon recommended that Congress provide certain measures of retaliation, which, in the opinion of the Senate, would have inflicted greater injury to the United States than to Canada. This honest difference of opinion, not based upon party lines, opened up the consideration of all our commercial relations with Canada. The speech made by me dealt with the policy of the United States with Canada in the past and for the future, and led me to the expression of my opinion that Canada should be, and would be, represented in the parliament of Great Britain or the Congress of the United States, with the expression of my hope of its being annexed to our country. I said:

"And now I submit if the time has not come when the people of the United States and Canada should take a broader view of their relations to each other than has heretofore seemed practicable. Our whole history, since the conquest of Canada by Great Britain in 1763, has been a continuous warning that we cannot be at peace with each other except by political as well as commercial union. The fate of Canada should have followed the fortunes of the colonies in the American Revolution. It would have been better for all, for the mother country as well, if all this continent north of Mexico had participated in the formation, and shared in common the blessings and prosperity, of the American Union.

"So, evidently, our fathers thought, for among the earliest military movements by the Continental Congress was the expedition for the occupation of Canada, and the capture of the British forces in Montreal and Quebec. The story of the failure of the expedition, the heroism of Arnold and Burr, the death of Montgomery, and the fearful sufferings borne by the Continental forces in the march and retreat, is familiar to every student of American history. The native population of Canada were then friendly to our cause, and hundreds of them, as refugees, followed our retiring forces and shared in

the subsequent dangers and triumphs of the war. It was the earnest desire of Franklin, Adams, and Jay, at the treaty of peace, to secure the consent of Great Britain to allow Canada to form a part of the United States, and at one time it appeared possible, but for the influence of France and Spain, then the acknowledged sovereigns of large parts of the territory now included within the United States. The present status of Canada grew out of the activities and acquisitions of European powers after the discovery of this continent. Spain, France, and England especially desired to acquire political jurisdiction over this newly discovered country.

"Without going into the details so familiar to the Senate, it is sufficient to say that Spain held Florida, France held all west of the Mississippi, Mexico held Texas west to the Pacific, and England held Canada. The United States held, subject to the Indian title, only the region between the Mississippi and the Atlantic. The statesmen of this government early discerned the fact that it was impossible that Spain, France, and Mexico should hold the territory then held by them without serious detriment to the interests and prosperity of the United States, and without the danger that was always present of conflicts with the European powers maintaining governments in contiguous territory. It was a wise policy and a necessity to acquire these vast regions and add them to this country. They were acquired and are now held.

"Precisely the same considerations apply to Canada, with greater force. The commercial conditions have vastly changed within twenty-five years. Railroads have been built across the continent in our own country and in Canada. The seaboard is of such a character, and its geographical situation is such on both oceans, that perfect freedom as to transportation is absolutely essential, not only to the prosperity of the two countries, but to the entire commerce of the world; and as far as the interests of the two people are concerned, they are divided by a mere imaginary line. They live next door neighbors to each other, and there should be a perfect freedom of intercourse between them.

"A denial of that intercourse, or the withholding of it from them, rests simply and wholly upon the accident that a European power, one hundred years ago, was able to hold that territory against us; but her interest has practically passed away and Canada has become an independent government to all intents and purposes, as much so as Texas was after she separated herself from Mexico. So that all the considerations that entered into the acquisition of Florida, Louisiana, and the Pacific coast and Texas, apply to Canada, greatly strengthened by the changed condition of commercial relations and matters of transportation. These intensify not only the propriety, but the absolute necessity, of both a commercial and a political union between Canada and the United States."

This was my opinion then, but further reflection convinces me that the annexation of Canada to the United States presents

serious difficulties, and that the best policy for the other English-speaking countries is that Canada should constitute an independent republic, founded upon the model of the United States, with one central government, and provinces converted into states with limited powers for local governments. The United States already embraces so vast a country, divided into forty-four states and four territories, exclusive of Alaska and the Indian Territory, that any addition to the number of states would tend to weaken the system, and the conversion of the province of Canada into states of our Union would introduce new elements of discord, while with Canada as an independent and friendly republic we could, by treaties or concurrent legislation, secure to each the benefit of free trade and intercourse with the other, and without the danger of weakening the United States. Great Britain, the common mother of both republics, could take pride in her progeny and be relieved from the cares and controversies that have arisen and will arise in her guardianship of Canada. Her policy in recent years has been to surrender, as much as possible, her legislative power over Canada, but, as Canada is not represented in parliament and cannot be represented by a minister in the United States, we have had, for years, in Washington, the spectacle of a British minister of the highest rank engaged in an effort to negotiate a treaty for the benefit of Canada about bait and fish and fisheries, imposing restrictions of trade in direct opposition to the policy of the mother country. This condition of Canada constantly invites a breach of the peace between the United States and Great Britain, but with Canada governed by a parliament and by local assemblies in the provinces on a plan similar with our own, the two republics would be independent of each other, and could arrange their matters without any other country to interfere.

There were many other measures of interest and importance in the discussing and framing of which I participated at this session, but as this is not a general history of Congress, I do not deem it necessary to mention them in detail.

CHAPTER LV.

Republican National Convention of 1888.

Majority of the Ohio Delegates Agree to Support Me for President — Cleveland and Thurman Nominated by the Democrats — I Am Indorsed by the State Convention Held at Dayton, April 18–19 — My Response to a Toast at the Americus Club, Pittsburg, on Grant — Meeting with Prominent Men in New York — Foraker's Reply to Judge West's Declaration Concerning Blaine — Blaine's Florence Letter to Chairman Jones — His Opinion of My Qualifications for the Honorable Position — Meeting of the Convention in Chicago in June — I Am Nominated by General D. H. Hastings and Seconded by Governor Foraker — Jealousy Between the Ohio Delegates — Predictions of My Nomination on Monday, June 25 — Defeated by a Corrupt New York Bargain — General Harrison Is Nominated — Letters from the President Elect — My Replies — First Speeches of the Campaign — Harrison's Victory — Second Session of the 50th Congress — The President's Cabinet.

WHILE Congress was in session the people of the United States were greatly interested in the choice of a candidate for President. Conventions were held, votes were taken and preferences expressed in every state. It was settled early in the year that a large majority of the delegates from Ohio would support me for President, and several weeks before the convention was held it was announced that I would receive the unanimous support of the delegates from Ohio. The Democratic party nominated Grover Cleveland and Allen G. Thurman for President and Vice President.

The Republican state convention was held at Dayton, Ohio, on the 18th and 19th of April, and selected Foraker, Foster, McKinley and Butterworth as delegates at large to the national convention. Forty-two delegates were nominated by the twenty-one districts, and all of them were known to favor my nomination. The convention unanimously adopted this resolution:

"Seventh. The Republicans of Ohio recognize the merits, services and abilities of the statesmen who have been mentioned for the Republican

nomination for the presidency, and, loyal to anyone who may be selected, present John Sherman to the country as eminently qualified and fitted for the duties of that exalted office, and the delegates to the Republican national convention this day selected are directed to use all honorable means to secure his nomination as President of the United States."

The speeches made at the convention by the delegates at large, and by other members, expressed without qualification the hearty and unanimous support of my nomination. The condition upon which alone I would become a candidate for so exalted a position as President of the United States had been complied with, and I therefore felt that I might fairly aspire to the nomination. Mr. Blaine had declined it on account of his health, and no one was named who had a longer record of public service than I had.

The movement for my nomination was heartily indorsed by the people of Ohio and was kindly received in the different states. Many of the leading newspapers assumed that it was assured. Sketches of my life, full of errors, appeared. My old friend, Rev. S. A. Bronson, issued a new edition of his "Life of John Sherman." Comments favorable and unfavorable, some of them libelous, appeared in print. Mrs. Sherman, much more sensitive than I of calumny, begged me not to be a candidate, as the office of President had killed Lincoln and Garfield, and the effort to attain it had broken down Webster, Clay and Blaine, and would do the same with me. However, I remained at my duties in Washington as calmly awaiting the action of the Chicago convention as any one of my associates in the Senate. I read the daily reports of what was to be – "that I was to be nominated on the first ballot," and "that I had no chance whatever," and became alike indifferent as to the one or the other result.

Shortly after the Ohio convention, I was invited to attend a banquet of the Americus club at the Monongahela House, in Pittsburg, on the 28th of April, at which Senator Harrison and Colonel Fred. Grant were guests. The lobby of the hotel looked as if a political convention was in session, many prominent men from Pennsylvania and other states being present.

At the banquet I was called upon to respond to the toast "Grant; He Was Great to the End." I insert a portion of my remarks:

"I saw General Grant when he arrived in Washington. He soon took command of the Army of the Potomac. His plan of campaign was soon formed. His objective point was Lee's army. Where Lee went he went, and if Lee moved too slowly Grant flanked him. After the fearful and destructive battles of the Wilderness, Washburne wanted to carry some consoling message to Lincoln, and Grant wrote, 'I propose to fight it out on this line if it takes all summer.' And so he did, and all winter. He never loosed his tenacious grip of Lee's army until Lee surrendered at Appomattox. If you ask me the secret of his success I say tenacity, tenacity. He never was discouraged. He knew how to hold on. And when his object was attained, and not till then, he knew how to be generous.

"He carried the same traits into civil life. He was always the same plain, simple, confiding, brave, tenacious and generous man in war and peace, as when the leader of vast armies, President of the United States, the guest of kings and emperors, and in his final struggle with grim-visaged death. Gentlemen, you do right to commemorate his birthday. It was his good fortune to be the chief instrument of Divine Power to secure to you and your posterity the blessing of a free, strong and united country. He was heroic to the end, and you should be equally heroic in maintaining and preserving the rights and privileges and policy for which he contended.

* * * * * * * * *

"I deem it an honor to be called upon by your club, on this sixty-sixth anniversary of the birthday of General Grant, to present in brief words this typical American citizen, this illustrious soldier, this patriotic President. By his tenacious courage and skill the armies of the Union were led from victory to victory, from Belmont to Appomattox, until every enemy of the republic laid down his arms in unconditional surrender. He won from foreign nations reparation for injuries done to us during the war. He did more than anyone else to preserve untarnished the public credit and honor. Heroic to the end, in the hours of death he won his greatest victory by the story of his life, told in words so plain, truthful, charitable and eloquent that it will become as classic as the commentaries of Cæsar, but more glorious as the record of a patriot who saved his country, instead of a conqueror who overthrew its liberties. When speaking of General Grant I do not know where to begin and where to end, whether with his personal traits of character, his achievements as a commander of armies, or his services as an untried magistrate in civil life; I can only make a mere reference to each of these elements of his fame."

During the whole of the month of May I remained in Washington, and attended constantly the sessions of the Senate. I

was greatly interrupted by visits of persons from different parts of the country, who wished to converse with me in regard to the approaching convention. I treated them kindly, but referred them to General Raum for any information he could give them. I was called to New York on the 8th of June, to attend a meeting of the directors of the Fort Wayne Railway Company. I stopped at the Fifth Avenue hotel, where great numbers of politicians called upon me, but I was charged with having interviews with many persons whom I did not see. I met the leading politicians of the state, including ex-Senator Platt, Senators Hiscock and Quay, Charles Emory Smith, of Philadelphia, and many others. The newspapers had a good many alleged interviews which never occurred. I then became satisfied that I would not probably receive more than five or six of the votes of the New York delegation, as they had generally committed themselves to Mr. Depew, who was understood to be a candidate.

It was already asserted in the papers that I would not be nominated, but that Blaine would be, in spite of his declination in his Florence and Paris letters. Among others, this was asserted by Judge West, of Ohio. Governor Foraker, who was at the head of the Ohio delegation to Chicago, was reported to have said in reply to West:

"I do not attach much importance to Judge West's recent speech. He is not a delegate this year, and he only speaks for himself. Mr. Sherman will have the united and hearty support of the delegates from this state, and I think his nomination is reasonably assured. I received a letter from him yesterday in which he expressed himself as being very confident of getting the nomination. It certainly looks that way to me."

"How do you account for the circulation of the reports that you are not entirely loyal to Sherman?"

"I suppose they originated in the breasts of mischief-makers who would like to make trouble. There never was the slightest foundation for them. I have paid no heed to them, for if my character is not sufficiently established in this state to make my attitude towards Mr. Sherman perfectly clear, nothing I could say would alter the situation. It has been practically settled that General Hastings, the adjutant general of Pennsylvania, will present Mr. Sherman's name to the convention. He is an excellent speaker, and will, no doubt, acquit himself with credit. Yes, I shall probably make the speech seconding his nomination from this state. It is customary, I believe,

to have a candidate presented by a delegate from some other state than his own, and in Sherman's case it seems eminently proper that he should be presented in this way, as he is in such a broad sense a national candidate."

There was a common opinion prevailing that the relations of Blaine and myself were not friendly. This was a grave mistake. We had never had any controversy of a personal character. He had spoken of me in terms of the highest eulogy in his book "Twenty Years of Congress," in this manner:

"It seldom happens that the promoter of a policy in Congress has an opportunity to carry it out in an executive department. But Mr. Sherman was the principal advocate of the resumption bill in the Senate, and during the two critical years preceding the day for coin payment he was at the head of the treasury department. He established a financial reputation not second to that of any man in our history."

Prior to our state convention, while Mr. Blaine was abroad, I wrote to a friend of his, who was with him, that if Blaine desired to be a candidate I would withdraw and advocate his nomination. This letter was handed to Murat Halstead, who was about to proceed to Europe. He showed it to Blaine, who insisted that he could not and would not be a candidate, and wrote a letter to B. F. Jones, chairman of the Republican national committee, in which he stated, in terms that could not be mistaken, his position in regard to the presidency, and settled for good the question of his candidacy. In neither of his previous epistles did he state positively he would not accept the nomination if tendered him. In the letter to Chairman Jones this declaration was most emphatically made. Under no circumstances, Mr. Blaine said, would he permit the use of his name in Chicago, nor would he accept a presidential nomination unanimously tendered him. He further went on to say that Senator John Sherman was his preference, and advised the convention to place his name at the head of the Republican national ticket.

Mr. Halstead said to a correspondent of the New York "World," in regard to Mr. Blaine's position, that he had achieved the greatest place in our political history—above that of Henry Clay—that the nomination would have come to him unsought, but he had smothered any personal ambition he

JAMES G. BLAINE.

may have had for the good of his party. Mr. Blaine's name, he declared, would not come before the Chicago convention as a candidate in any contingency we have a right to assume. "Mr. Blaine told me," he said, "when I met him in Europe in August last, that he was not a Tichborne claimant for the presidency, and he wanted his friends to understand it. Mr. Blaine will have as distinguished a place in history as he could have obtained had he been elected to the presidency."

Mr. Blaine was asked: "Do you think Mr. Sherman could be elected?"

He replied: "Mr. Sherman represents the principles of the Republican party from its beginning. He has never wavered in his allegiance to the party. If we cannot elect a man on the principles of the Republican party we will not be able to pull anyone through on personal popularity. I think Mr. Sherman is as strong as the Republican party, and that if nominated he can be elected, and also that he has great personal strength."

In reply to the question, "Will the Ohio delegates remain true to Sherman?" Mr. Blaine said: "Of that there can be no doubt. They are riveted and double-bolted to him. The talk of Foraker's scheming for himself is nonsense and malice. Foraker is a young man and has a great future before him. He may go to the Senate and be President later on. No, the Garfield miracle cannot be repeated this year. It is impossible."

The convention met at Chicago on the 19th of June. The delegation from Ohio was promptly in attendance, and was to all appearances united, and determined to carry out the instructions and requests of the state convention to support my nomination. There appeared to be some needless delay in the report of the committee on resolutions. Mr. McKinley, as chairman of the committee, reported the resolutions and they were unanimously adopted by the convention by a standing vote amid great enthusiasm.

I was nominated by General D. H. Hastings, of Pennsylvania, in a speech of remarkable power and eloquence. When he closed, enthusiastic and prolonged cheering and waving of flags

greeted him from the galleries, which was joined in by many delegations.

Governor Foraker seconded the nomination. His opening words were: "Ohio is sometimes like New York. She occasionally comes to a national Republican convention divided as to her choice for the presidency, and sometimes she comes united. She has so come on this occasion. Her forty-six delegates are here to speak as one man." His speech throughout was received with great applause, and it and that of General Hastings were regarded as the most eloquent nominating addresses of the convention. They were followed by speeches made by John M. Langston, of Virginia, and Mr. Anson, of North Carolina. There certainly could be no fault found with either the manner or the matter of these addresses.

There was a constant effort made to produce jealousy between the members of the Ohio delegation, and perhaps it may be admitted that the natural divisions in a body of forty-six members would give rise to suspicion and misunderstanding, but I have no right to complain of anything done by the members of the delegation during the convention. There was a natural rivalry between Foraker and McKinley, as they were both young, able and eloquent men. Rumors prevailed at times that the Ohio delegation could be held solid no longer, but if there was any ground for these rumors it did not develop into a breach, as the delegation, from beginning to end, cast the entire vote of Ohio for me on every ballot except the last two or three, when one of the delegates, J. B. Luckey, voted for Harrison, placing his action on the ground that he had served with him in the army and felt bound to vote for him.

On Saturday evening I was telegraphed by different persons that I would certainly be nominated on Monday. That was the confident belief in Washington. On Sunday the following dispatch was published, which, though I do not recall any such conversation, expresses my feeling on that day:

"Senator Sherman says he does not believe that Foraker, or any other Ohio man, will desert him. He spent three hours of Sunday at the capitol, in his committee room, and received many telegrams from Chicago, and also

sent dispatches to that great central point of interest. He has received some unauthorized dispatches advising him to withdraw in favor of McKinley, but he refuses absolutely to interfere with his managers. His invariable answer to all advising him to pull out is that he is in the fight to stay."

On Monday, the 25th of June, I did not anticipate a change on the first ballot from the last one on Saturday. I did expect, from my dispatches, that the nomination would be made that day and in my favor, but, as the result proved, an arrangement had been made on Sunday that practically secured the nomination of General Harrison. This became obvious in the course of the vote on Monday and, as Harrison was practically assured of the nomination, Pennsylvania voted solid for him and ended the contest.

From the best information I could gather from many persons with whom I conversed, I have no hesitation in expressing the opinion that I was defeated for the nomination by New York. I was assured before the meeting of the convention that I would have six votes from the beginning from that state, and could reasonably hope for a large addition to that vote in the progress of the balloting. Instead of this I did not receive a single vote, although three or more of the delegates had been distinctly selected in my favor and had given pledges to their constituents that they would vote for me, but they did not on a single ballot do so, except I was advised that at one ballot one of them voted for me.

I believed then, as I believe now, that one of the delegates from the State of New York practically controlled the whole delegation, and that a corrupt bargain was made on Sunday which transferred the great body of the vote of New York to General Harrison, and thus led to his nomination. It is to the credit of General Harrison to say that if the reputed bargain was made it was without his consent at the time, nor did he carry it into execution.

I believe and had, as I thought, conclusive proof that the friends of General Alger substantially purchased the votes of many of the delegates from the southern states who had been instructed by their conventions to vote for me.

There were eight ballots taken in the convention, in all of which I had a large plurality of the votes until the last one.

When General Harrison was nominated I assured him of my hearty support. I have no respect for a man who, because he is disappointed in his aspirations, turns against the party to which he belongs. I believe that both honor and duty require prompt and ready acquiescence in the choice made, unless it is produced by corruption or fraud.

I had no reason to believe, however, that General Harrison resorted in the slightest degree to any improper or corrupt combination to secure his nomination. In answer to a letter from me expressing my congratulations and tendering my support, I received from him a very cordial reply, as follows:

INDIANAPOLIS, July 9, 1888.

MY DEAR SENATOR:—Your very frank and kind letter of June 30th has remained unanswered so long only because it was impossible for me to get time to use the pen myself. Some friends were asking 'have you heard from Sherman,' and my answer always was, 'have no concern about him. His congratulations and assurances of support will not be withheld, and they will not be less sincere than the earlier and more demonstrative expressions from other friends.' You will recall our last conversation at Pittsburg, in which I very sincerely assured you that except for the situation of our state my name would not be presented at Chicago in competition with yours. I have always said to all friends that your equipment for the presidency was so ample and your services to the party so great that I felt there was a sort of inappropriateness in passing you by for any of us. I absolutely forbade my friends making any attempt upon the Ohio delegation, and sent word to an old army comrade in the delegation that I hoped he would stand by you to the end.

I shall very much need your service and assistance, for I am an inexperienced politician as well as statesman. My desire is to have a Republican campaign and not a personal one, and I hope a good start will be made in that direction in the organization of the committee. I have not and shall not attempt to dictate the organization, but have made some very general suggestions. I will confidently hold you to your promise to give me frankly any suggestions that you may think valuable, and assure you that criticism will always be kindly received.

Mrs. Harrison joins me in kind regards to Mrs. Sherman.

Very sincerely your friend,

BENJ. HARRISON.

HON. JOHN SHERMAN, U. S. Senate.

I shall be glad to see you when you come.

I had many letters from him during the canvass and gave him a hearty and I think effective support. After his election he wrote me the following letter:

INDIANAPOLIS, IND., November 22, 1888.

HON. JOHN SHERMAN, Washington, D. C.

MY DEAR SENATOR: You will understand, without any explanation from me, that my little home bureau was entirely inadequate to deal with the immense flood of telegrams and letters that poured in upon me after the election. It has happened, that some of those that should have had earliest attention have been postponed, by reason of the fact that the associated press carried off the telegrams and they were not returned for some time. But you did not need to be assured that I appreciate very highly your friendly words, and rely implicitly upon the friendly spirit that has not only prompted them, but so much besides that was useful to me.

I have, up to this time, given my whole attention to visiting friends and to my correspondence with those who have addressed me by wire or mail. We are just now torn up a little in our household by reason of the work necessary to introduce the natural gas; but will after a little while be settled again. I wish that you would feel that I desire you to deal with me in the utmost frankness, without any restraints at all, and in the assurance that all you may say will be kindly received and will have the weight which your long experience in public life and your friendship for me entitles it to. I know the embarrassments that now attend my intercourse with my friends, on their part, rather than on mine; but you will find some method of communicating with me if you desire, and after awhile I will have the pleasure of a personal conference. With kind regards to Mrs. Sherman, I am,

Very sincerely yours,

BENJ. HARRISON.

I sent him the following answer:

WASHINGTON, D. C., November 26, 1888.

MY DEAR SIR:—Yours of the 22nd is received. I appreciate the embarrassments of your position and feel that the highest mark of friendship is to let you alone, and have therefore refrained from writing to or visiting you. Still I wish you to feel that I have no hope or ambition higher than to see your administration a complete success. The victory is a Republican victory and that I think is a victory for the whole country. Any advice or aid that I can give will be freely rendered on call, but not tendered until needed. I notice that every scribbler is making a cabinet for you, but your observation must have led you to the conviction that this is a duty you only can perform. Advice in this matter is an impertinence. Your comfort and success will largely depend upon this, and if I were to offer advice it would be to consult alone your own judgment, taking care to choose those who above all will be faithful and honorable to you and administer the patronage of

the departments, not in their selfish interests, but for the good of the country. The cabinet should be fairly distributed among the different sections, but this is not the prime necessity, nor is it vital that cliques or factions be represented, but only the general average of Republican ideas and policy.

As to the broader questions of public policy the rule of action is very different than the one suggested as to cabinet officers. The President should "touch elbows" with Congress. He should have no policy distinct from that of his party, and this is better represented in Congress than in the Executive. Cleveland made his cardinal mistake in dictating a tariff policy to Congress. Grant also failed to cultivate friendly relations with Congress, and was constantly thwarted by it. Lincoln had a happy faculty in dealing with Members and Senators.

As to visiting you, I will do so with pleasure if you think it necessary, but I dread, on your account as well as my own, the newspaper talk and gabble that will follow. It might embarrass you with others. With the modern facility of dictating you can converse with me without restraint, and all letters passing between us can be returned to the writer. In conclusion permit me to say, and perhaps I am justified in saying by what appears in the papers, that you must not feel embarrassed or under the slightest restraint by seeing my name in connection with office. I am not seeking or expecting any position, nor have I ever determined in my own mind whether I could, consistently with my duties to Ohio, accept any executive office. You should feel like a gallant young gentleman entering upon life with a world of girls about him, free to choose—to propose, but not to dispose.

Give my kind regards, in which Mrs. Sherman and Mamie join, to Mrs. Harrison and your children, especially the little grandson.

Very respectfully yours,

JOHN SHERMAN.

The result of the nomination at Chicago did not in the least disturb my equanimity or my allegiance to the great party to which I belonged, and for the success of which I had devoted my life since 1854. I listened with complaisance to the explanations made as to the wavering of the Ohio delegation on the Saturday previous to the nomination, and as to the unexpected action of the New York delegation and the curious reasoning which held them together in the hope that they could persuade their leader to vote for me. The only feeling of resentment I entertained was in regard to the action of the friends of General Alger in tempting with money poor negroes to violate the instructions of their constituents. I have since read many of the revelations made subsequently

as to the action of the Ohio delegation, and came to the conclusion that they did what they thought best to promote my nomination, and had just ground for discouragement when my vote fell below the number anticipated.

On the 5th of July I attended the national exposition in progress in Cincinnati at that time, and made a speech mainly confined to the remarkable growth of the northwestern states. On the next day I visited the chamber of commerce, and the Lincoln club. I then went to Mansfield. On the evening of the day of my arrival I was called upon by a great number of my townsmen, who seemed to feel my recent defeat with more regret than I did.

During this visit to Ohio I heard a great deal about the Chicago convention, but paid little attention to it, and said I was content with the result, that my friends had done what they could, that Harrison was nominated and ought to be elected. As quoted by a newspaper interviewer, I said: "Henceforth, I can say what I please, and it is a great pleasure. This feeling of freedom is so strong with me that I am glad I did not get the nomination." Whether I uttered these words or not, they expressed my feeling of relief at the time.

The 100th anniversary of the first permanent settlement in the State of Ohio, at Marietta, was celebrated on the 7th of April, 1888. There was a difference of opinion among the people whether the proper day was the 7th of April or the 15th of July, as the landing of the settlers was on the 7th of April, but on the 15th of July General Arthur St. Clair entered upon the discharge of his duties as governor of the northwestern territory. The result was, the people of Marietta concluded to celebrate on both days. Senator Evarts made an eloquent address on the 7th of April, and I was invited to deliver one on the last day of the second celebration, commencing on the 15th of July. The ceremonies, visiting and feasting continued during five days. The fifth day was called "Ohio day," and was intended as the finale of a great celebration. It was said that 20,000 persons thronged the streets and participated in the memorial ceremonies on that day. This vast crowd, gathered from many different states, were hospitably entertained by the citizens of

Marietta. The exercises commenced in the morning at ten o'clock, with Governor Foraker presiding. Among the distinguished guests were the governors or lieutenant-governors of the states that were carved out of the northwestern territory. I had not prepared a speech, but knew what I intended to talk about. I was introduced by Governor Foraker in an eloquent address, which he knew how to make. I said:

"Ladies and Gentlemen:—The very flattering manner in which our governor has introduced me to you rather disturbs the serenity of my thoughts, for I know that the high panegyric that he gives to me is scarcely justified to mortal man. We have faults, all have failings, and no one can claim more than a fair and common average of honest purpose and noble aim. I come to-day as a gleaner on a well-reaped field, by skillful workmen who have garnered the crop and placed it in stacks so high that I cannot steal a sheaf without being detected. I cannot utter a thought without having it said that I copied from some one else. I thank fortune I have no framed speech made, for, if I had, the speech would have been read or spoken to you in eloquent terms, but I only come with thoughts inspired by the great history we are called upon to review — a hundred years of this northwest territory. What a theme it is! Why is it that this favored country of 260,000 square miles and about 160,000,000 of acres of land has been selected as the place where the greatest immigration of the human race has occurred in the history of the whole world? There is no spot in this world of ours of the size of this western territory, where, within a hundred years, 15,000,000 of free people are planted, where, at the beginning of the century, there was scarcely a white man living. I am glad it has been spoken of by such eminent men as Senators Hoar, Evarts, Daniel, Tucker, General Ewing and many other distinguished men; and remember, citizens of Marietta, when I speak of this centennial celebration, I do not mean that on the 15th of July only, but on the 7th of April and the 15th of July bound together in a noble wedlock."

I referred to the claims made by several of the old states, based upon their so-called titles to the whole or to portions of the northwestern territory. Senator Daniel, who was on the stand with me, had claimed that Virginia owned all the territory south of the 41st degree of north latitude and westward to the "South Sea." Connecticut claimed all north of that line. New York made a similar claim, all based upon grants by King James or King Charles, neither of whom knew where the South Sea was, and had no conception of or control over the vast territory covered by these grants. Neither of these states had

either title to or possession of any part of the northwest territory. The only title based on European law was that acquired by Great Britain from France in 1763, and that title was transferred to the United States at the close of the Revolutionary War. There was no just title to this region except that held by the Indian tribes of America. They owned and possessed it. Before the constitution of the United States was, or could have been, adopted the imaginary claim of the several states was ceded to the United States for the common use and benefit of all. Virginia and Connecticut reserved large portions of Ohio from their several grants, and these reservations were conceded to them. There is one title which has always been acknowledged by civilized nations, and that is the title by conquest. The only valid title of the United States was that based upon the conquest by George Rogers Clark, who conquered this country from Great Britain. It was not Virginia that did it. And, yet, among the illustrious names that have been furnished by that magnificent state, in the history of this country, that of George Rogers Clark will be gratefully remembered. He, with his two or three hundred Kentuckians, marched through that country, as Senator Daniels described, and subdued the British. Virginia is entitled to the honor of having this son; but it was George Rogers Clark who gave the United States its title to the northwest. The Indians, however, had possession, and how was their title to be disposed of? A treaty was made at Fort Harmar, and plans were adopted to get possession of the Indian land. The Indians always claimed they were cheated in the treaty, defining the boundary line between them and the white men. Therefore, Indian wars came on. St. Clair was defeated by the British and Indians combined. The British were always at the back of every hostile movement that has been made in the history of our country. In Judge Burnett's "Notes of the Northwest Territory" there is a full account of how white men, step by by step, gained possession of this territory.

The Indian tribes made bold and aggressive efforts to hold Ohio. They defeated in succession the armies of St. Clair and Harmar, but were compelled to yield to the invincible force of General Wayne and his army. It is painful and pathetic to

follow the futile efforts of the Indians to hold the northwest, their favorite hunting grounds. They were told that only a little land was wanted for some poor white settlers to keep them from starving. They were offered $50,000 in money, and $50,000 annually for twenty years, for the southern part of Ohio. The council adjourned until the next day. When it convened an old chief said that the "Great Spirit" had appeared to them and told them a way in which all their troubles could be ended. "Let our Great Father give to the few poor white settlers among us the money you offer to us and let them go back from whence they came and be rich and happy." Colonel Wayne could not answer this logic, and the Indians were compelled to submit to their fate and ceded one-half of Ohio. In concluding I said:

"In the history of Ohio we have passed through three or four stages. First was the struggle with the Indians. This generation has not realized it, but I have lived long enough to know something about it in the northern part of Ohio. I saw the last Indian tribe leave the soil of Ohio in 1843, the Wyandotte Nation. There was but the feeble remnant of the most powerful tribe in the world. The next period was the clearing of log cabins. Every homestead was a log cabin—no brick houses, no frame houses, except in town. The log houses in the clearing, the toilsome and exciting time. You talk about hard times now—I have seen the time when a man was glad to get thirty-two cents for a bushel of wheat; when eggs could not be sold; when the only way to get 'York money' was to drive horses and cattle and sheep over the Alleghanies. The next step was the canal system, which brought laborers into the country. Then came the railroads and telegraphs, when the canals ceased to exist.

"Now, I am done. I shall think, however, that I am not through unless I reverently and devoutly give thanks to the Ruler of the universe for all the great good that has come upon this great continent. Here we see the most wonderful republic in the world, born within a hundred years, a great community peopling a continent, having every facility in the world for homes—no land-locked monopoly, closing the door to the poor acquiring homes, or if it does, it should be broken down at every hazard by wise laws passed from time to time. I reverently thank God for our homes, for our great cities, for our state and, more than all else, for our country."

On the 6th of October, while Congress was still in session, I went to Cincinnati and joined in celebrating "Republican day" at the exposition.

Immediately upon the adjournment of Congress I went to Cleveland to attend a meeting in Music Hall, where I made my first speech in the political campaign. It was carefully prepared and was confined mainly to a full discussion of the tariff question. From that time until the day of the election I was constantly occupied in making speeches in different parts of the state and in Indiana. Among the many places in which I spoke in Ohio were Lancaster, Defiance, Toledo and Mansfield. My first speech in Indiana was at Portland. I referred to a statement made in the newspapers that the Republicans had given up Indiana, and denied this emphatically. I said that since I had come among them and felt the enthusiasm exhibited by them I was entirely confident that they would give to their own "most gallant citizen for President of the United States" a hearty and enthusiastic support. I discussed at length the Mills bill and the tariff bill of the Senate, and closed with an appeal to the "Hoosier voter" in behalf of Ben. Harrison, "the hero of Peach Tree Creek, and the man that honored Indiana in the Senate of the United States for six years."

On the next day I spoke at Huntington, opening my speech as follows:

"When I was traveling over the State of Ohio, recently, I was occasionally asked 'what about Indiana?' and now, since I have been in Indiana, I will be able to answer more accurately than I could have done, although I believed the people of Indiana were loyal, and brave, and true, and would never turn their backs upon their most eminent citizen when he had been designated by the Republican party as a candidate for chief magistrate of this Union. But I have no longer any doubt about Indiana. I saw yesterday 10,000 to 15,000 people, excited by the highest enthusiasm, marching in the bright sun and warm atmosphere in a county supposed to be Democratic. To-day, although the weather is inclement, I see your streets filled with ardent and enthusiastic people, shouting for Harrison and Morton and the Republican ticket. No rain disturbs you; no mud stops you. I shall go back to Ohio and tell them that the Buckeyes and Hoosiers will march together."

While in Indiana I received a request from Harrison to speak at Indianapolis, but my engagement at Toledo prevented this, much to my regret.

My part in the canvass closed at home on the evening of the 5th of November. I concluded my speech as follows:

"Benjamin Harrison possesses many qualities of the highest character. He is an able lawyer, an honest man and a good citizen. Benjamin Harrison is a man for whom every American citizen should vote. He would stand like a wall of fire on every question of honor with a foreign country. If you want to do your country a valuable service you will go to the polls and give a good square honest vote for Harrison."

Harrison received in Ohio a majority over Cleveland of 19,000 votes, and a majority of the electoral vote in the country.

During the period immediately following the election, the papers were, as usual, full of conjectures as to cabinet appointments. All sorts of cabinets were formed for General Harrison and in many of them I was mentioned for the office of Secretary of State. It was because of this that I wrote to Harrison the letter already inserted of the date of November 26. I wished to relieve him from all embarrassments, as I had made up my mind not to hold any office except such as might be given to me by the people of Ohio. I gratefully acknowledge that all the political favor I have received has been from the people of my native state.

On the 28th of November Mrs. Ellen Ewing Sherman, wife of General Sherman, died at her home at New York. She had been in feeble health, but was taken seriously ill about three weeks before her death. She was an accomplished woman of marked ability inherited from her father, a devout Christian of the Catholic faith. Her life had been devoted to the relief of suffering and want. This sad calamity was a source of great grief to her own family and that of her husband. She was married to General Sherman on the 1st of May, 1850, at Washington, when her father was a member of the cabinet of President Taylor. Throughout her entire life she was an affectionate wife and a devoted mother. Her remains were removed to St. Louis, and were there buried beside those of two sons and three grandchildren.

The winter of 1888–89, after the political excitement of the year before, seemed a tranquil period of rest. The coming change of administration excited some interest, especially the

Guy R. Pelton, New York.

Russell Sage, New York.

John Sherman, Ohio

William Cumback, Indiana.

Galusha A. Grow, Pennsylvania

Abram Wakeman, New York.

N. P. Banks, Massachusetts.

J. S. Morrill, Vermont.

J. H. Campbell, Pennsylvania.

A. H. Cragin, New Hampshire.

T. T. Flagler, New York.

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selection of a cabinet. Blaine and I were frequently mentioned in the public prints for appointment as Secretary of State, but I gave no attention to the rumors. I did not care to decline an office not tendered to me, though I had definitely made up my mind not to accept any executive office. The duties of a Senator were familiar and agreeable to me. I doubted the wisdom of competing presidential candidates accepting cabinet appointments under a successful rival. The experiment of Lincoln, with Chase and Seward as his principal advisers, was not a good example to follow.

The short session of the 50th Congress, commencing December 3, 1888, was mainly occupied with the tariff question, already referred to, but without hope of passing any tariff bill. Many other questions of public policy were also discussed, but as a rule were postponed to the next Congress, which it was known would be Republican in both branches. Perhaps the most interesting topic of debate was the condition of affairs in Samoa. As chairman of the committee on foreign relations, on the 29th of January, 1889, I presented to the Senate a full statement of the complications in that far distant group of islands. In opening I said:

"The time has arrived when Congress, and especially the Senate, must give intelligent attention to the questions involved in the occupation and settlement of the Samoan Islands. These questions are now exciting profound attention, not only in this country, but in Great Britain and Germany. While supporting the amendments proposed by the committee on foreign relations, reported now from the committee on appropriations, I think it is due to the Senate and the people of the United States that I should state, in a skeleton form, the chief facts in regard to this matter, and that, too, without any feeling whatever, without any desire to interfere with our diplomatic negotiations, or to disturb the harmony of our relations with Germany or Great Britain. I hope that the action of the Senate will be unanimous upon the adoption of these amendments, and that a frank and open debate will tend to this result."

It is not worth while to follow the line of events that resulted in making Great Britain, Germany, and the United States the guardians of these far distant, half-civilized, mercurial, and combative orientals. The only interest the United States had in these islands was the possession and ownership of

the Bay of Pago-Pago, acquired by a treaty in 1878 between the United States and the King of Samoa. The repeated wars on a small scale that have occurred since that time, and the complications and expense caused by the tripartite protectorate of the islands, furnish another example of the folly of the United States in extending its property rights to lands in a far distant sea. Our continental position ought to dissuade us from acquiring outside possessions which in case of war would cost the United States more to defend than their value.

On the 24th of February, 1889, my youngest sister, Fanny Sherman Moulton, the widow of Colonel Charles W. Moulton, died at her residence at Glendale, Ohio, after a brief illness. Her husband died in January, 1888. She was buried by his side in Spring Grove Cemetery, near Cincinnati. In the hurry of the close of the session I could not attend her funeral. She was always kind and affectionate, not only to her children, but to all her kindred. I felt her death keenly, for as the youngest of our family she had lived with me until her marriage, and was regarded by me more as a daughter than a sister.

The called session of the Senate convened on the 4th of March, 1889. President Harrison's message was well delivered and well received. It was longer than the usual inaugural. It was free from any studied rhetoric, but was sensible, logical and satisfactory. The nominations of the cabinet officers were made and immediately confirmed. Those of Blaine and Windom were anticipated but the remainder of the cabinet excited some surprise. They were comparatively new men, without much, if any, experience in congressional life, but were well known in their respective states as gentlemen of ability and high character. A bare majority of the Senate were classed as Republicans. They retained the organization of the committees and no material changes were made. The Senate acted upon its general custom to confine its business to that which it could do alone without the action of the House. It adjourned on the 2nd of April, 1889.

CHAPTER LVI.

Four and a Half Months in Europe.

Our Party Takes Its Departure on the "City of New York" on May 1 — Personnel of the Party — Short Stop in London — Various Cities in Italy Visited — Sight-Seeing in Rome — Journey to Pompeii and Naples — Impressions of the Inhabitants of Southern Italy — An Amusing Incident Growing Out of the Ignorance of Our Courier — Meeting with Mr. Porter, Minister to Rome — Four Days in Florence — Venice Wholly Unlike Any Other City in the World — Favorable Impression of Vienna — Arrival at Paris — Reception by the President of the Republic of France — Return Home — My Opinion Concerning England and Englishmen — Reception at Washington — Campaigning Again for Foraker — Ohio Ballot Box Forgery and Its Outcome — Address at Cleveland on "The Congress of American States" — Defeat of Foraker for Governor.

SOON after the close of the called session in April, 1889, Mrs. Sherman and I concluded to make a trip to Europe. Both of us had been confined more than usual for over a year, and needed recreation and a change of scene. We went to New York on the 27th of April, stopping with my niece, Mrs. Alfred M. Hoyt. On the next day we witnessed from the battery the naval parade in honor of the centennial of the inauguration of Washington. On the first of May my little party, composed of Mrs. Sherman, Miss May Hoyt, my daughter Mary and myself, were driven to the steamer "City of New York," and there met Senator Cameron and his wife, with her infant child and nurse, Mrs. Colgate Hoyt, a niece of mine, with four children and nurse, and Mrs. Henry R. Hoyt, child and nurse. With this large party we had a joyous and happy voyage. Among the passengers we found many agreeable companions and had the usual diversions, such as music, singing and card playing. We arrived at Queenstown on the 8th of May without any special incident, proceeding thence to Liverpool and London, where we stopped at the Hotel Metropole. Here all our companions except our family party of four left us.

As it was our desire to visit Italy before the hot weather set in, we determined to push on as rapidly as convenient to Naples. We spent a day or two in London. We pushed on to Paris via Folkstone and Boulogne. We remained three days at the Hotel Liverpool in Paris and there met several friends, among them Mrs. William Mahone and daughter, and Major and Mrs. Rathbone. On the 14th we went to Lyons, the 15th to Marseilles, and the 16th to Nice. On the 17th we visited Monte Carlo, and on the 18th went to Genoa. Here we spent two days in visiting the most interesting places in that ancient and interesting city. From thence, on the 20th, we went to Rome. The city had already been abandoned by most of the usual visitors, but we did not suffer from the heat, and leisurely drove or walked to all the principal places of interest, such as the ruins of the Roman forum, the Colosseum, the baths of Caracalla and St. Peter's, and the many churches in that ancient city. In the six days in Rome we had, with the aid of maps and a good guide, visited every interesting locality in that city, and had extended our drives over a large part of the Campagna. At Liverpool I had employed a Swiss with the awkward name of Eichmann as my courier. He had a smattering knowledge of many languages, but could not speak any well; he proved to be faithful, and, so far as I could discover, was honest. He relieved us from petty cares and could generally find the places I wished to see. On the 27th we went to Naples, and on the 28th by steamer to Sorrento and Capri. On the 29th we traveled by carriage to Pompeii and thence to Naples. On the 30th we drove about Naples as well as we could, but here we began to feel the heat, which was damp and depressing. It is the misfortune of this city that, although surrounded on all sides by the most beautiful and picturesque scenery of sea and mountain, in a land rich in historical and poetical annals, yet a large portion of the inhabitants impress a stranger with the conviction that they are the poorest, and perhaps the most ignorant, population in Europe. It is a sad reflection, that applies especially to all parts of southern Italy, that the descendants of the Romans, once the rulers of the world, are now classed as among the lowest in intelligence in the Christian

and civilized world. I remember two things about Naples, one that Mount Vesuvius was in partial action during our stay, and that we had a full opportunity to explore the ruins of Pompeii.

About this time there occurred an amusing incident growing out of the ignorance of a common American phrase on the part of my courier. Mr. Oates, of Alabama, a leading Member of the House of Representatives, was traveling with his wife and friends on the same general route that I was. We frequently met and had pleasant and friendly chats. Eichmann noticed our intimacy and was very polite to Mr. Oates. One day, as my party and I were about to enter a car, some one said: "Is not that John Sherman?" Mr. Oates said, in the hearing of Eichmann: "Yes, that is Sherman," and added as a compliment: "He was a good watchdog in the treasury." Eichmann catching the phrase "watchdog" applied to me regarded it as a gross insult. He rushed into my car, his face aflame with passion and his English more confused than usual, and said: "That man," pointing to Oates, "was not your friend; he called you, sir, a watchdog; yes, sir, a watchdog. He has but one arm, sir, one arm, or I would have chastised him." I had great difficulty in persuading him what a "watchdog" meant, that it was intended as a compliment, not as an insult.

On the 31st we returned to Rome. During my stay there I had the pleasure of meeting Mr. Porter, our minister to Rome. He was hardly yet installed in his duties, as the king had been absent, but returned from Germany the day I arrived. Porter and I had been in Congress together, and boarded at the same house. He was not only a man of ability, but of pleasing address and manners.

Everybody I saw in Rome was talking about the heat and moving out of town. On June 1, I went to Florence. There we spent four days very pleasantly. The hotel was good, the weather all we could desire, and the people we met, looked contented and comfortable. They were in striking contrast with their countrymen in Naples. There was an air about the place that indicated prosperity. Florence is an art gallery. Several of our countrymen, famous as artists, of whom I

can recall Powers, Meade and Turner, were not only pursuing, but learning, their art. I was told that a considerable part of the population were engaged in painting and sculpture. No doubt their wages were small but food and clothing were also low.

We would gladly have remained longer in Florence if my plan of travel would have allowed it. Not only was the city and all the treasures of art interesting, but the country around was picturesque and highly cultivated. We could ride in any direction over admirable roads and almost every place had an historical interest. I witnessed there a review of several thousand troops, but was especially interested in a body of small men well drilled for rapid movements. The parade was on Sunday and the ladies objected to a parade on that day. I observed that in the Latin states I visited, Sunday was generally selected for such displays. I purchased two works of art from American artists. I commend the wisdom of their choice of location, for in Florence the love of art, especially of sculpture, is more highly appreciated than in any other city of Europe that I have visited.

Our next stopping place was in Venice. The chief attraction of this city is that it is unlike any other city in the world in its location, its architecture, its history and in the habits and occupation of its people. It is literally located in the sea; its streets are canals; its carriages are gondolas and they are peculiar and unlike any other vessel afloat. Magnificent stone palaces rise from the waters, and the traveler wonders how, upon such foundations, these buildings could rest for centuries. Its strange history has been the basis of novels, romances, dramas and poetry, by writers in every country and clime. Its form of government was, in the days of the Doges, a republic governed by an aristocracy, and its wealth was the product of commerce conducted by great merchants whose enterprise extended to every part of the known habitable globe.

We visited St. Marks cathedral, the palace of the Doges, and the numerous places noted in history or tradition. We chartered a gondola and rode by moonlight through the Grand Canal and followed the traditional course of visitors. The

glory of Venice is gone forever. We saw nothing of the pomp and panoply of the ancient city. The people were poor and the palaces were reduced to tenement houses. Venice may entice strangers by its peculiar situation and past history, but in the eye of an American traveler it is but a great ruin. The wages paid for labor were not sufficient to supply absolute necessities.

The construction of the railroad to Vienna is a remarkable feat of engineering. The route over the Sommering pass presents difficulties far greater than any encountered in the United States. We spent four days in and about Vienna. Its location on the River Danube was a good one for a great city. The surrounding country was interesting and well cultivated. The comparison between the people of Vienna and Venice was very much in favor of Vienna. The city was clean, well built, with many signs of growth and prosperity. The people were comfortably clad, and the crowds that gathered in the parks and gardens to hear the music of the military bands were orderly and polite. Among the European cities I have visited, I recall none that made a more favorable impression on my mind than Vienna. I found no difficulty in making my English understood, and it was said of the people of that city that they generally knew enough of the English and French languages, in addition to their native German, to sustain a conversation in either. We visited Colonel Fred. Grant, then our minister to Austria, at Vosben, about twenty miles by rail from Vienna. I did not seek to make acquaintances in Vienna, as my time would not allow it, but, from a superficial view, I believed that the people of that city were intelligent, social and friendly, with more of the habits of Frenchmen than of the Germans of Berlin, or of the English of London.

From Vienna we followed the line of the railroad through Salzburg, Innsbruck, to Zurich, stopping at each place for a day. This is a very interesting country, generally picturesque, and in some places mountainous. Here we see the southern German in his native hills. A vein of superstition colors their creed as good Catholics. They are, as a rule, loyal to their emperor, and content with their condition. The passage from

the Tyrol into Switzerland is not marked by natural boundaries, such as rivers or mountains, nor does the population vary much until one reaches Zurich. In our progress thus far, from Nice through Italy and Austria, our party had been traveling over, to us, a new and strange land. At Zurich we entered within a region visited by Mrs. Sherman and myself in 1859. The cities and mountains of Switzerland seemed familiar to us. Great changes, however, had occurred in modes of travel in this short period in these old countries. Railroads traversed the valleys and crossed the mountains, where we had traveled in the stage coach. At Lucerne I went up a tramway to the top of Mt. Pilatus, at a grade of from 25 to 35 degrees. I did not feel this in ascending, but in descending I confess to experiencing real fear. The jog-jog of the cogwheels, the possibility of their breaking, and the sure destruction that would follow, made me very nervous. I would have been less so but for a lady unknown to me, sitting by my side, who became frightened and turned deathly pale. I was glad indeed when we reached the lake.

From Lucerne Mrs. Sherman went to Neuchâtel to meet my niece, Mrs. Huggins, then sick at that place. The remainder of the party went to Interlaken and the valley in which it is situated. I have no room for the description of mountain scenery, and no language can properly convey a sense of its grandeur. I have mentally contrasted Mt. St. Bernard and the Simplon with Pike's Peak and Mt. Washburn, and feel quite sure that in grandeur and in extent of view the American mountains are superior to those named in Europe, but the larger population in easy reach of the mountains of Switzerland will give them the preference for a generation or more. Then Mt. Shasta will take its place as the most beautiful isolated mountain in the world, and the Rocky Mountain range will furnish a series of mountains surpassing the mountains of Switzerland; but both South America and Asia contain mountains thousands of feet higher than either or any of the mountains of Europe or North America.

Without going into details of travels over familiar ground all our party arrived safely in Paris on the 2nd of July, 1889.

Unfortunately, Mrs. Sherman was called back to Neuchâtel on the 4th of July, on account of the continued serious illness of Mrs. Huggins, the balance of the party remaining in Paris. We were in that city two weeks and attended the international exposition many times. The French people know better than any other how to conduct such a show. The great building in which it was held was so arranged that similar articles were grouped together, and yet all productions of a country were in convenient proximity. The French are artists in almost every branch of human industry. They are cheerful, gay and agreeable. They are polite and therefore sensitive of any slight, neglect or rudeness and promptly resent it.

While in Paris we formed some agreeable acquaintances. Whitelaw Reid, our minister to France, lived in a palace, and he and Mrs. Reid entertained elegantly his countrymen and his associates in the diplomatic corps. From him our little party, especially the two young ladies, received many courtesies, and through him we had invitations from the President of the French Republic and officers of the exposition. The reception at the palace of the president was in striking and pleasing contrast with that given by the emperor in 1867, already referred to. The later reception was simple in form, something like a reception by the President of the United States, but where it differed it was an improvement upon our custom. The invitation was quite general and extended to the diplomatic corps, to all persons representing any article in the exposition, and to many citizens and visitors in Paris, who were named by the diplomatic corps or by the officers of the French government. I think that fully as many persons were present as usually attend the receptions of our President. Each invited guest, as he entered the reception room, gave his name, and, if escorting others, gave their names to the officer in charge. The name was announced to the president, who stood a few paces in the rear, the guests and the president bowed but did not shake hands and the guests passed on through a suite of rooms or into the garden. Miss Hoyt, my daughter and I attended the reception with Mr. and Mrs. Reid. As Mr. Reid entered the room his name and office were announced, and the

president and he advanced towards each other, shook hands, and I and my party were introduced and we shook hands. This occupied but a moment and the reception of others went on, only occasionally interrupted by the president when he chose to recognize some one by hand-shaking. When we were received, as stated, we were introduced by Mr. Reid to several persons in attendance on the president, and then retired with the passing company. In this way the president and his wife escaped the extreme fatigue of shaking hands with thousands of people in rapid succession, often producing soreness and swelling of hands and arms. I hope some President of the United States will be bold enough to adopt, as he can, this simple measure of relief practiced by the President of the French Republic. The French government also furnishes a house ample enough for a large reception, which the United States does not do, but I trust will.

We left Paris on the 15th of July and joined Mrs. Sherman at Neuchâtel. After two days at this delightful place we went to Basle and thence down the Rhine, stopping at places of interest on the way, but this is a journey I had taken before.

We made a brief visit to Amsterdam and the Hague, and then went to Brussels, with which city we had become acquainted on our previous visit. We arrived in England about the 1st of August and remained in London, or its environs, a week, most of the time in the country. During my stay I did not seek to form new acquaintances and most of the people I knew were absent in the country. From London we went to Oxford and remained several days visiting the colleges and the country around, especially the beautiful place of the Duke of Marlborough. From there we went to Leamington, and made short excursions to Warwick Castle, Kenilworth, Stratford and Coventry. We then visited the English lakes, including Windermere. I was especially interested in the games, races and wrestling at Grasmere. From there we went to Chester spending several days in that city and surrounding country. We visited the magnificent estate of the Duke of Westminster, a few miles from Chester, and drove through Gladstone's place, but he was then absent. In Chester we met Justice Gray and

his wife, and Bancroft Davis and his wife. With them we drove in the old-fashioned coach in and about the environs of Chester. From thence we went to Liverpool, remaining about a week in that city.

It is scarcely necessary to state that such a rapid, transient visit could hardly convey a proper conception of England or Englishmen. Our view was like that of the English traveler in America when he undertakes to describe our vast country on a trip of a month from New York to San Francisco. My idea of Great Britain is based, not upon flying visits, but upon my study of English history and literature. The political institutions of Great Britain are rapidly approaching our own. While progressive, the people of that country are also conservative, but with each successive decade they extend the power of the House of Commons so that already in some respects it represents better the public sentiment than the Congress of the United States. It responds quickly to a change of popular opinion. The functions of the crown are now more limited than those of our President, while the House of Commons can at any moment put an end to the ministry, and if necessary a new House of Commons can be convened within a brief period, and a new ministry be formed or the old one confirmed according to the popular will. All the governments of Europe are following in the same path, so that we may fairly hope that in a brief time Europe will become republican in substance if not in form.

We returned in the steamer "City of New York," the vessel on which we went over, and arrived in New York on the 12th of September. My wife, daughter and myself returned to Washington, improved in health and strength.

On the evening of the next day after my arrival a large company, estimated at 1,500 people, led by the Marine band, marched to my house. The report given by the "Republican" of Washington the next morning is substantially correct and is here inserted:

"To General Grosvenor had been assigned the duty of formally welcoming the Senator, and he did so in a very pleasant speech. He spoke of the thirty-five years of faithful service which had been rendered Ohio by John Sherman, as Representative, Senator, cabinet officer and citizen; touched

upon the eagerness with which Ohio looked for the Senator's return; referred happily to the Senator's wife and daughter, and then launched out upon the broad ocean of Ohio politics. He closed by saying that one of the chief causes of Ohio Republican exultation on this occasion lay in the fact that the Senator had returned to do nobly his part toward the reëlection of Governor Foraker and the election of a Republican Senator to succeed Mr. Payne.

"The welcome was punctuated with applause, and when the speech and the uproar had ceased the band played 'Home Again.' The crowd cheered once more as Senator Sherman stepped forward and commenced his reply.

"Appreciation of the welcome which had been extended to him by friends from Ohio and friends in Washington brightened his opening remarks, and he said that, although his home was in Ohio, yet he had been so long a resident of this city that he felt himself almost entitled to the rights of citizenship here, without, of course, losing his allegiance to the people of his native state. The joys of home and the pleasures of foreign lands were dilated upon, and the Senator said: 'No American can travel anywhere without having a stronger love and affection for his native land. This is the feeling of every American, and it is sometimes too strongly and noisily expressed to be acceptable abroad. We do sometimes carry our flag too high and flaunt it offensively.'

"Previous visits to Europe were referred to, and the Senator went on: 'And now let me say to you that while we boast in America of the rapid progress we have made in growth, population, wealth and strength, yet it is equally true that some of the oldest nations in the world are now keeping pace with us in industry, progress and even in liberal institutions. Everywhere in these old countries the spirit of nationalism is growing stronger and stronger.

"'Thirty years ago Italy had at least five different forms of government; now it is under one rule. Twenty-two years ago France was an empire, under the almost absolute dominion of Napoleon III; now it is a republic, with all the forms of republican institutions, but without the stability of our government. The kingdom of Prussia has been expanded into the great German empire, among the strongest, if not the strongest, of the military powers in the world. The institutions of Great Britain have become liberalized until it is a monarchy only in name, the queen exercising far less power than the President of the United States. The whole tendency of events is to strengthen and at the same time popularize government.'

"The popularity of Americans in Europe was mentioned, and it was said of them that while abroad they were not partisans, but patriots; they believed that any party at home was better than all parties in foreign lands. The signs of war abroad and of peace in the United States were sketched, and the veterans who fought for the Union were eulogized and said to be entitled to the most liberal treatment. The Republican party, having saved the Union should be the governing party, and it should be heartily supported by all true patriots."

As I concluded, the audience came forward and shook hands with me. Later addresses were delivered by Thomas B. Coulter, ex-Lieutenant Governor Wm. C. Lyons, of Ohio, Rev. Wm. Waring, J. H. Smyth and ex-Speaker Warren J. Keifer.

Quite a number of callers were received in the house by Mrs. and Miss Sherman.

During the balance of the month of September I remained in Washington engaged in writing letters, dictating interviews, and preparing for the gubernatorial contest in Ohio, then in active progress. Governor Foraker was the Republican candidate for reëlection, and James E. Campbell, formerly a Republican and recently a Democratic Member of Congress, was the opposing candidate. Both of these gentlemen were lawyers of ability, in the prime of life and living in adjoining counties. The canvass had become interesting before my return and I desired to do all I could in aid of Foraker. He was nominated while I was in Europe, for the third term, and under conditions that weakened him somewhat. Still, his ability as a debater, his popular manners, and his interesting history, seemed to assure his success. I returned to Ohio with my family about the 1st of October, and made my first speech in this canvass at the Wayne county fair, at Orrville, on the 10th. I was introduced to the audience by M. L. Smyser, the Member of Congress from that district, in terms too complimentary to quote. He gave notice that Campbell would speak to them on the next day on behalf of the Democratic party. In explanation of my appearance there where politics were generally excluded I said:

"It is rather unusual at a county fair, where men of all parties are invited to exhibit and compare their productions, to discuss party politics. Therefore, I hesitated to accept your invitation to speak here in behalf of the Republican party; but upon being advised by my friend, Mr. Smyser, your Representative in Congress, that the same invitation was extended to Governor Foraker and Mr. Campbell, the two candidates for governor, that Governor Foraker could not attend, but Mr. Campbell had accepted, I concluded also to accept, and am now here to give you the reasons for my political faith."

This speech was prepared for the occasion, and was chiefly on the choice between the Mills tariff bill and the Senate bill,

both of which failed to pass in the preceding Congress. I discussed state issues briefly, including recent frauds at elections, the alleged bribery and corruption in the election of Mr. Payne as Senator, and the importance of nonpartisan boards of election. I closed by saying:

"This is not a contest between Governor Foraker and Mr. Campbell. I have the highest regard for both of these gentlemen. Governor Foraker is one of the ablest, one of the most brilliant, men in public life. He was one of the youngest soldiers in the Union army, and, though young, rendered important services at critical periods of the war. He has made his own way in the world, and has filled with distinction every place assigned him. He has made an efficient governor; and I can see no force in the objection that he is running for a third term. If he has performed his duties exceptionally well in the past, it is a good reason why he should be continued in office in the future. I have also the pleasure of a very kindly acquaintance with Mr. Campbell, whom I regard as a gentleman of merit and ability. Either of these gentlemen will perform the personal duties of the office with credit to the state, but the contest is not between them, but between the two parties they represent. Governor Foraker represents the principles and tendencies of the Republican party, its progressive national policy, the purity of elections, state and national, and its willingness to take the lead in Ohio in all proper measures to promote good order, temperance and morality, so far as they can be promoted by human laws and popular opinion.

"Mr. Campbell represents the aims and tendencies of the Democratic party, its jealousy of national authority, its want of genuine patriotism, its reactionary policy as to tariff laws, its lawless disregard of fair elections, both north and south, the criminal gangs that disgrace our cities, and its low tone on all questions affecting good order and morals. In my view the choice is as plain as the sunlight of heaven in favor of the Republican party. It may falter for a time in meeting new questions, it may be disturbed by passing clouds, and, like all human agents, may yield to expediency or be tarnished with the corruption and faults of individuals, yet it is the best organized guide in state and national affairs, and should, and I confidently trust will, receive the hearty support of the people of Ohio."

The reporter, in his description of the meeting, said:

"Senator Sherman was in excellent form to-day; his voice was clear, strong and its carrying power excellent. He spoke with uncommon vigor and, of course, without notes or manuscript. There was something in his manner that seemed to carry conviction with it. The people knew they were listening to an honest man who was a thorough master of every subject upon which he touched. He spoke as one having authority, and the weight of forty years of sturdy public life went into his utterances."

It was about this period that the Ohio ballot box forgery matter became a subject of discussion. On the 11th of September, Richard G. Wood appeared in Columbus, and delivered to Foraker the following paper, and received the governor's recommendation for the smoke inspectorship in Cincinnati:

WASHINGTON, D. C., July 2, 1888.

We, the undersigned, agree to pay the amounts set opposite, or any part thereof, whenever requested so to do by John R. McLean, upon 'Contract No. 1,000,' a copy of which is to be given to each subscriber upon payment of any part of the money hereby subscribed.

It is understood that each subscription of five thousand dollars shall entitle the subscriber thereof to a one-twentieth interest in said contract.

1. J. E. CAMPBELL, ... Five Thousand Dollars.
2. J. E. CAMPBELL, ... Five Thousand Dollars.
3. J. E. CAMPBELL, ... Five Thousand Dollars.
4. WM. MCKINLEY, ... Five Thousand Dollars.
5. JUSTIN R. WHITING, ... Five Thousand Dollars.
6. JUSTIN R. WHITING, ... Five Thousand Dollars.
7. B. BUTTERWORTH, ... Five Thousand Dollars.
8. JOHN SHERMAN, ... Five Thousand Dollars.
9. JOHN SHERMAN, ... Five Thousand Dollars.
10. S. S. COX, ... Five Thousand Dollars.
11. WM. C. P. BRECKINRIDGE, . . . Five Thousand Dollars.
12. WM. MCADOO, ... Five Thousand Dollars.
13. JOHN R. MCPHERSON, ... Five Thousand Dollars.
14. JOHN R. MCPHERSON, ... Five Thousand Dollars.
15. JOHN R. MCPHERSON, ... Five Thousand Dollars.
16. F. B. STOCKBRIDGE, ... Five Thousand Dollars.
17. F. B. STOCKBRIDGE, ... Five Thousand Dollars.
18. . . . . Five Thousand Dollars.
19. . . . . Five Thousand Dollars.
20. . . . . Five Thousand Dollars.

The paper referred to in this alleged agreement as "Contract No. 1,000" purported to be a contract for the manufacture and introduction of the Hall and Wood ballot box, to be used by the United States government whenever it had the authority to use ballot boxes. The merit claimed for the box was that it was constructed in such a manner as to prevent fraudulent voting. This alleged agreement and contract, taken in connection with a bill introduced July 23, 1888, by Mr. Campbell, in the

House of Representatives, "regulating Federal elections and to promote the purity of the ballot," which required the purchase by the government of the ballot box mentioned, would of course, if true, present a clear case of corruption on the part of the Members of Congress signing the agreement, so grave as to justify their expulsion.

A copy of this paper was handed by Governor Foraker to Murat Halstead on the 28th of September, and on the evening of that day the governor made a speech at Music Hall, Cincinnati, in which he referred to Mr. Campbell having introduced the bill for the purchase of the ballot box. On the 4th of October, Halstead published in the "Commercial-Gazette" a fac-simile of the false paper, with the name of Campbell alone, the names of the other apparent signers not being given in the fac-simile and nothing being said about them. On the 8th of October I was informed that it was whispered about Cincinnati that my name, with many others, was attached to the paper. I at once telegraphed that if this were so the signature was a forgery.

When I spoke at Orrville two days later I did not allude to the subject, regarding the whole thing as an election canard which would correct itself. In a brief time this became true. The whole paper was proven to be a forgery. The alleged signatures were made on tracing paper, from franks on documents distributed by Congressmen. All this was done by Wood, or by his procurement, in order to get an office through Governor Foraker. Halstead, on the 11th of October, published in his paper, over his own name, a statement that from evidence submitted to him he was satisfied that Mr. Campbell's signature was fraudulent, no mention being made of the other alleged signers of the paper. Subsequently, on the 10th of November, after the election, Foraker wrote a letter to Halstead giving a narrative of the mode by which he was misled into believing the paper to be genuine.

It has always seemed strange to me that Foraker, having in his possession a paper which implicated Butterworth, McKinley and myself, in what all men would regard as a dishonorable transaction, did not inform us and give us an opportunity to deny, affirm or explain our alleged signatures. An inquiry

from him to either of the persons named would have led to an explanation at once. No doubt Foraker believed the signatures genuine, but that should not have deterred him from making the inquiry.

On the 12th of November, I wrote the following letter to Halstead:

SENATE CHAMBER,
WASHINGTON, November 12, 1889.

MY DEAR SIR:—Now that the election is over I wish to impress upon you the importance of making public the whole history of the 'forged paper' about ballot boxes.

While you believed in the genuineness of Campbell's signature you were entirely right in exposing him and the signers of the paper, for if it was genuine it was a corrupt and illegal transaction. I only wonder that seeing the names upon it did not excite your doubt and cause inquiry, but, assuming they were genuine, you had no right to suppress the paper because it involved your friends in a criminal charge. But now, since it is shown to be a forgery, a crime of the greatest character, it seems to me you ought at once to exercise your well-known energy and independence in exposing and denouncing, with equal severity, the man or men who forged, or circulated, or had anything to do with, the paper referred to. No delicacy or pity ought to shield them from the consequences of a crime infinitely greater than the signing of such a paper would have been. I know in this I speak the general sentiment of many prominent men, and you will appreciate the feeling of honor and fairness which appeals to you to denounce the men who, directly or indirectly, were connected with the fabrication of this paper. If my name was forged to it I will consider it my duty to prosecute all men who took that liberty. I will certainly do so whenever I have any tangible evidence that my name was forged. Very truly yours,

JOHN SHERMAN.

A fac-simile of the paper was then published with all the alleged signatures. The subject-matter was fully investigated by a committee of the House of Representatives, during which all the persons named in connection with it were examined under oath. It resulted in the unanimous finding of the committee as follows:

"In response to the first inquiry directed by the resolution, viz.:

"'By whom said alleged contract was prepared, and whether the several signatures appended thereto are forged or genuine.'

"We find that said alleged contract was dictated (prepared) by Richard G. Wood, and that all the signatures thereto are forged.

"In response to the second inquiry directed by the resolution, viz.:

"'If forged, what person or persons, if any, were directly or indirectly aiding, abetting, assisting, or knowingly consenting to the preparation and uttering of said forgery, and for what purpose.'

"We find that Richard G. Wood, Frank and L. Milward, and Frank S. Davis were the only persons directly or indirectly aiding, abetting, assisting, or knowingly consenting to the preparation of said forgery with knowledge of its character.

"We further find that J. B. Foraker and Murat Halstead aided in uttering said forgery, Mr. Foraker by exhibiting the paper to several persons and thereafter delivering it to Mr. Halstead, and Mr. Halstead aided in uttering said forgery by publishing the forged paper on October 4, 1889, in the Cincinnati 'Commercial Gazette;' but we find that neither of said parties, Foraker and Halstead, in uttering said paper, knew the same was a forgery.

"In response to the third inquiry directed by the resolution, viz.:

"'Whether any of the Members whose names appeared on said alleged contract had or have, either directly or indirectly, any unlawful, corrupt or improper connection with, or interest in, the ballot boxes which are the subject-matter of said alleged contract,'

"We find that no one of the persons whose names appear on said alleged contract had or has, either directly or indirectly, any unlawful, corrupt, or improper, or any other connection with, or interest in, the ballot boxes which are said to be the subject of said alleged contract; and that there never was any other contract relating to said ballot boxes in which either of these persons, alone or jointly with others, was in any way interested."

William E. Mason, chairman of the committee, added to the report quoted the following just and true statement, which relieved Foraker and Halstead from the implication stated in the report:

"If our unanimous finding is correct that Messrs. Halstead and Foraker did not know the paper was forged when they uttered it, then they were deceived by some one, for we have found it was a forgery. Being deceived, then, is their only offense.

"They each have made reputation and character equal perhaps to any of the gentlemen who were outraged by the forgery. Since they found they were deceived, they have done all in their power, as honorable men, to make amends. To ask more seems to me to be most unjust, and, believing as I do that the evidence does not warrant the censure indulged in by my associates on the committee in their above additional findings, I most respectfully, but most earnestly, protest."

This unfortunate incident, not fully explained before the election, created sympathy for Campbell and naturally displeased friends of McKinley, Butterworth and myself. I did

not feel the least resentment after Halstead denounced the forgery, but entered with increased energy into the canvass. During this period I had promised to attend, on the 15th of October, a banquet given by the citizens of Cleveland to the delegates to the Pan-American Congress, then making a progress through the United States, to be presided over by my colleague, Senator Payne. As this speech is outside of the line of my usual topics, the toast being "The Congress of American States," and yet relates to a subject of vital importance, I introduce it as reported in the Cleveland "Leader:"

"MR CHAIRMAN AND GENTLEMEN: The toast you ask me to respond to is the expression of a hope indulged in by many of the ablest statesmen of the United States ever since our sister American states dissolved their political connection with European powers. Henry Clay, as early as 1818, when proposing to acknowledge the independence of the south American states, eloquently depicted the mutual advantage of closer commercial relations with those states. Mr. Monroe proclaimed to the world the determination of the United States not to suffer any European power to interfere with the internal concerns of independent American states. Still no effective measures were adopted to promote intercourse between them. The hope of closer union has not been realized, mainly because of the neglect of the government of the United States. We have been too much engaged in political disputes and in the development of our own resources. Then we have had a serious unpleasantness among ourselves, which, if it had terminated differently, would have made us very unacceptable partners. But, now, all this is past and gone, and I can give assurance to our guests that not only the government of the United States, but the people of the United States, all parties and of every section, have united heartily in inviting you here, that they will do their full share in carrying out your recommendations, and sincerely hope that your conference will lead to a congress of American nations.

"I look upon this conference as having the same relation to the future of America as the conference of the thirteen British colonies, in 1774, had to the declaration of American independence. That conference led to the constitution of the United States and was the beginning of the independence of all the American states. Your conference is of infinitely greater importance, for your deliberations affect the interests of more than one hundred million people, while theirs affected only three million. But, more important still, your conference contemplates only peaceful aids for mutual benefit; theirs provided for war and a desperate struggle with superior force.

"I do not recall, in the annals of man, a meeting of the selected representatives of many nations with nobler aims or with greater opportunity for

good than this conference of American states. You seek to prevent war by peaceful negotiations and arbitration; you seek to promote intercourse with each other by land and by sea; you seek, as far as the wants and interests of each nation will permit, to remove unnecessary restrictions to trade and commerce; you seek to bring into closer union sixteen republics and one empire, all of them governed by free institutions. You do not unite to conquer, but to help each other in developing your resources and in exchanging your productions.

"If your conference deals wisely with your opportunity you will light a torch that will illuminate the world. You will disband armies, you will convert ships of war into useful agencies of commerce; you will secure the construction of a continuous line of railways from New York to Buenos Ayres, with connections with the capital city of every American country; you will contribute to the construction of the Nicaragua Canal and all other feasible methods of transportation between the Atlantic and Pacific; you will unite in generous rivalry of growth and progress all the American states. And, more important than all, you will pave the way for a congress in which all these states will be represented in a greater than an Amphictyonic council, with broader jurisdiction and scope than the rulers of ancient Greece conceived of.

"Is this to be only a dream? I do not think so. The American states are now more closely united in interest than any other part of the world. Our institutions are similar. We nourish no old-time feuds to separate us. Our productions do not compete with, but supplement, each other. Their direct exchange in American vessels is the natural course of trade. The diversity of language is less marked than in any other continent. The sentiment is universal in America that America belongs to Americans, that no European power should vex us with its policy or its wars; that all parts of America have been discovered and are not open to further discovery; each country belongs to the people who occupy it, with the clear and unquestioned right of home rule. Such, at least, is the feeling in the United States.

"And now, looking back with pride over a century of growth, exhibiting to you, as we are doing by a rather tiresome journey, what we have done, and appreciating fully the rapid progress and enormous resources of our sister American states, recognizing your equality and absolute independence, whatever may be your population or extent of territory, we say to you, in all frankness, that we are ready and willing to join you in an American congress devoted exclusively to the maintenance of peace, the increase of commerce, and the protection and welfare of each and all of the states of the American continents."

On the 19th of October I addressed a great audience in Music Hall, Cincinnati, at which Butterworth and Grosvenor also made speeches. In this speech I especially urged the

election of Governor Foraker and answered the cry against him for running for a third term. I said:

"Now, you have a good ticket, as I said, from top to bottom. I need not add anything more with respect to Governor Foraker, who, I believe, ought to be elected, not only because he has been a good soldier, but because he has been a good governor. Nor do I fear that cry about a third term. How should I fear it, when I am an example of a man serving on the fifth term of six years each? If Foraker has done his duty well for two terms, it is a good reason why he would do better the next time. If he made any mistakes in the past, he will have a chance to correct them in the future, and I believe he will do so if he has made any; and I don't believe he has."

On the 24th of October I was to address a meeting at Columbus, and hearing that Governor Foraker was sick, at his residence, I called upon him, and we had a free and friendly conversation. I did not introduce the subject of the ballot box forgery, but assured him that I was doing, and intended to do, all I could to promote his election. He thanked me heartily, expressed his regret that he was unable to take part in the canvass, but hoped to do so before its close. At one of the largest indoor meetings ever held in Columbus, that evening, I especially urged the importance of Governor Foraker's election, and ridiculed, to the best of my ability, the cry that was made of a third term. I called attention to the fact that all that could be said against Governor Foraker was that he was running for a third term. Continuing, I said:

"Why for a third term? Because he did so well in both his previous terms that the Republican party of Ohio was willing to sanction him as its candidate for a third term—and intend to elect him. Why should not a man be nominated by the Republicans for a third term as Governor of Ohio? What is there in the office that prevents his full and free and complete performance of all the duties imposed upon him as Governor of Ohio? Why, they say the President, by a prescriptive rule that has been established since the time of Washington, cannot be nominated for a third term. What of that? The powers of the Governor of Ohio and the President of the United States are as different as a and z, and are as wide apart as heaven and earth. The President of the United States is armed with more power during his four years than any prince or potentate of Europe; he exercises a power greater than any man in any country of the world, whether a monarchy or empire. But is there any similitude between the Governor of Ohio and the President of the United States? What power has he? The Governor of Ohio has less power than almost any other governor of the United States."

I spoke on the 2nd of November in the Music Hall at Cleveland, and there again urged the election of Foraker. I give a short extract of the description of the speech as it appeared in the papers of that city:

"He ridiculed the third term scare of the Democracy and then paid a glowing tribute to the worth and integrity of Governor Foraker. 'Has any man said,' he asked, 'that Governor Foraker is a bad man; that he is not a good man?' My countrymen, no one has said that. He was a brave soldier. He is a self-made man; the son of good, plain people. He is self-educated. By integrity and toil he mounted, step by step, on the ladder of fame. Nearly every man who has arisen to prominence in our country has arisen from the ranks by toil. Such a man is Governor Foraker."

I spoke daily during the last two weeks of the canvass and everywhere made the same appeal in behalf of Governor Foraker and the state ticket. The result of the election was that Campbell received a plurality of 10,872 votes and was elected. A majority of the legislature was Democratic, and subsequently elected Calvin S. Brice United States Senator.

Elbert L. Lampson, the Republican candidate for lieutenant governor, was elected by a plurality of 22. The other candidates on the Republican state ticket were elected by an average plurality of about 3,000.

CHAPTER LVII.

History of the "Sherman Silver Law."

President Harrison's First Annual Message—His Recommendations Regarding the Coinage of Silver and Tariff Revisions—Bill Authorizing the Purchase of $4,500,000 Worth of Silver Bullion Each Month—Senator Plumb's "Free Silver" Amendment to the House Bill—Substitute Finally Agreed Upon in Conference—Since Known as the "Sherman Silver Law"—How It Came to Be so Called—Chief Merit of the Law—Steady Decline of Silver After the Passage of the Act—Bill Against Trusts and Combinations—Amendments in Committee—The Bill as Passed—Evils of Unlawful Combinations—Death of Representative Wm. D. Kelley and Ex-Member S. S. Cox—Sketch of the Latter—My Views Regarding Immigration and Alien Contract Labor—McKinley Tariff Law—What a Tariff Is—Death of George H. Pendleton—Republican Success in Ohio—Second Session of the 51st Congress—Failure of Senator Stewart's "Free Coinage Bill."

THE first session of the 51st Congress convened on the 2nd of December, 1889, both branches being Republican. President Harrison, in his message, reported a very favorable condition of the national finances. The aggregate receipts from all sources, for the fiscal year ending June 30, 1889, were $387,050,058. The total expenditures, including the sinking fund for that year, were $329,579,929. The excess of receipts over expenditures was $57,470,129. The estimated surplus for the current year was $43,678,883. This would justify, and the President recommended, a reduction of taxation to that amount. He called attention to the reduction of the circulation of national banks amounting to $114,109,729, and to the large increase of gold and silver coin in circulation and of the issues of gold and silver certificates. The law then in force required the purchase of two million dollars worth of silver bullion each month, to be coined into silver dollars of

412½ grains of standard silver nine-tenths fine. When this law was enacted, on the 28th of February, 1878, the price of silver in the market was $1.20 per ounce. Since that time to the date of his message the price had fallen to 70.6 cents an ounce. He expressed a fear of a further reduction of the value of silver, and that it would cause a difference in the value of the gold and silver dollars in commercial transactions. He called the attention of Congress to these three subjects of national importance—the reduction of taxation, the circulation of national banks, and the further issue of silver coin and silver certificates, and invoked for them the considerate action of Congress.

He recommended a revision of the tariff law in such a way as not to impair the just and reasonable protection of our home industries, the free list to be extended to such domestic productions as our home industries did not supply. He referred approvingly to a plan for the increased use of silver, which would be presented by Secretary Windom.

The plan, submitted by Secretary Windom in his report, for increasing the use of silver in the circulation, provided that the treasury department should purchase silver bullion every month to a limited extent, paying therefor treasury notes receivable for government dues and payable on demand in gold, or in silver bullion at the current market rate at the time of payment, and that the purchase of silver bullion and the compulsory coinage of silver dollars under the act of 1878 should cease.

On the 28th of January, 1890, Senator Morrill introduced, by request, a bill which had been prepared by, and embodied the views of the Secretary of the Treasury. This bill was referred to the committee on finance, and was reported back by Senator Jones, of Nevada, February 25, with amendments. The first section of the amended bill authorized the Secretary of the Treasury to purchase $4,500,000 worth of silver bullion each month, and to issue in payment therefor treasury notes receivable for customs and all public dues, and when so received they might be reissued. They were also redeemable on demand in lawful money of the United States, and when

so redeemed should be canceled. Such portion of the silver was to be coined as might be necessary to meet the redemptions authorized. Other sections provided for details by which the plan was to be effected.

To this bill I proposed an additional section authorizing the deposits of legal tender notes by national banks with the United States treasurer, to meet the redemption of the notes of such banks which had failed, gone into liquidation, or were reducing their circulation, to be covered into the treasury to the credit of an appropriation from which the money could be withdrawn as necessary to meet the payments of the notes for which the deposits had been made. The deposits of this character often exceeded $50,000,000, but under the plan proposed the money became immediately available in current disbursements, thus avoiding a hoarding of the notes in the treasury or the creating of a stringency in the circulation, and, at the same time, giving the government the use of the deposits until needed, by which the issue of bonds to a considerable extent would be avoided. This arrangement was accepted and eventually became section 6 of the law which is now in satisfactory operation.

In the progress of the debate on this bill every question connected with the financial operations of the government for twenty years was introduced and made the subject of debate, and especially the coinage act of 1873, and the dropping of the old silver dollar from coinage. Although this coin had been restored by the act of 1878, and hundreds of millions of such dollars had been coined, yet the Senators from the silver producing states, and especially Stewart, were continually harping on "the crime of 1873," as they called the coinage act of that year, a careful statement of which has already been made in these volumes.

The only new allegation made was that the amendment recommended by the Senate committee on finance, to strike out the franc dollar of 384 grains, provided for in the bill as it came from the House, and insert the trade dollar, was not agreed to in the Senate, but that the change was made in committee of conference, and passed without the knowledge of the Senate.

A conclusive answer was made to this statement by the production, from the files of the secretary's office, of the original bill as it stood after its passage in the Senate and before it was sent to conference. As similar statements have been frequently made, I reproduce the portion of this original bill showing the section in question, with the printer's note accompanying the bill explaining the different type used in printing it. The word "AGREED" on the bill is in the handwriting of the journal clerk of the Senate, Mr. McDonald, who held that position many years until his death. It shows that the Senate adopted the recommendation of the committee on finance before the bill was sent to conference. This amendment was agreed to by the House conferees.

[Note in explanation of the bill (H. R. 2934).]
1. The body of the bill, printed in brevier, is as it came from the House.
2. Amendments to insert, reported by Committee on Finance, are in *italics*.
3. Amendments to strike out, reported by Committee on Finance, are in [brackets].
4. Amendments made by the Senate striking out words are in brevier, with brackets, and the words inserted in lieu thereof in the handwriting of the Clerk, are in SMALL CAPS.

IN THE SENATE OF THE UNITED STATES.

MAY 29, 1872.

Read twice and referred to the Committee on Finance.

DECEMBER 16, 1872.

Reported by Mr. SHERMAN with amendments, viz: Strike out the parts in [brackets] and insert the parts printed in *italics*.

JANUARY 7, 1873.

Mr. SHERMAN, from the Committee on Finance, reported additional amendments, which were ordered to be printed with the bill.

AN ACT

Revising and amending the laws relative to the mints, assay-offices, and coinage of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. [16] 15. [That the silver coins of the United States shall be a dollar, a half-dollar or fifty-cent piece, a quarter-dollar or twenty-five-cent piece, and a dime or ten-cent piece; and the weight of the

dollar shall be three hundred and eighty-four grains; the half-dollar, quarter-dollar, and the dime shall be, respectively, one-half, one-quarter, and one-tenth of the weight of said dollar; which coins shall be a legal tender, at their nominal value, for any amount not exceeding five dollars in any one payment.] *That the silver coins of the United States shall be a trade-dollar, a half-dollar or fifty-*

AGREED

A DIME OR TEN-CENT PIECE

cent piece, a quarter-dollar or twenty-five-cent piece[^]*; and the weight of the trade-dollar shall be four hundred and twenty grains troy; the weight of the half-dollar shall be twelve grams and one-half of a gram; the quarter-dollar and the dime shall be, respectively, one-half and one-fifth of the weight of said half-dollar; and said coins shall be a legal tender at their nominal value for any amount not exceeding five dollars in any one payment.*

AGREED

On the 5th of June I made a speech covering not only the pending bill, and the cognate questions involved, but all the irrelative topics introduced by other Senators. I said:

"I approach the discussion of this bill, and the kindred bills and amendments pending in the two Houses, with unaffected diffidence. No problem is submitted to us of equal importance and difficulty. Our action will affect the value of all property of the people of the United States, and the wages of labor of every kind, and our trade and commerce with all the world. In the consideration of such a question we should not be controlled by previous opinions or bound by local interests, but, with the lights of experience and full knowledge of all the complicated facts involved, we should give to the subject the best judgment which imperfect human nature allows. With the wide diversity of opinion that prevails, each of us must make concessions in order to secure such a measure as will accomplish the objects sought for without impairing the public credit or the general interests of our people. This is no time for visionary theories of political economy. We must deal with facts as we find them and not as we wish them. We must aim at results based upon practical experience, for what has been probably will be. The best prophet of the future is the past.

"To know what measures ought to be adopted we should have a clear conception of what we wish to accomplish. I believe a majority of the Senate desire, first, to provide an increase of money to meet the increasing wants of our rapidly growing country and population, and to supply the reduction in our circulation caused by the retiring of national bank notes; second, to increase the market value of silver, not only in the United States, but in the world, in the belief that this is essential to the success of any measure proposed, and in the hope that our efforts will advance silver to its

legal ratio with gold, and induce the great commercial nations to join with us in maintaining the legal parity of the two metals, or in agreeing with us in a new ratio of their relative value; and, third, to secure a genuine bimetallic standard, one that will not demonetize gold or cause it to be hoarded or exported, but that will establish both gold and silver as standards of value, not only in the United States, but among all the civilized nations of the world.

"Believing that these are the chief objects aimed at by us all, and that we differ only as to the best means to obtain them, I will discuss the pending propositions to test how far they tend, in my opinion, to promote or defeat these objects."

Those of us who were in favor of good money, whether of gold or silver, or whether issued by the government in the form of notes or currency or by national banks, all to be maintained at par with each other and of equal purchasing power, were constantly charged with reducing the volume of money. I showed that since the resumption of specie payments, January 1, 1879, there had been a constant annual increase in the total circulating medium of the country. I furnished a table showing the steady increase of circulation during the period named, which I here insert:

THE AMOUNT AND KINDS OF MONEY IN ACTUAL CIRCULATION ON CERTAIN DATES FROM 1878 TO 1889.

Year.	Date.	Total circulation.	Gold coin.	Standard silver dollars.	Subsidiary silver.
1878.	March 1..	$805,793,807	$82,530,163	.....	$53,573,833
1879.	October 1.	862,579,754	123,698,157	$11,074,230	54,088,747
1880.	October 1.	1,022,033,685	261,320,920	22,914,075	48,368,543
1881.	October 1.	1,147,892,435	328,118,146	32,230,038	47,859,327
1882.	October 1.	1,188,752,363	358,351,956	33,801,231	47,153,750
1883.	October 1.	1,236,650,032	346,077,784	39,783,527	48,170,263
1884.	October 1.	1,261,569,924	341,485,840	40,322,042	45,344,717
1885.	October 1.	1,286,630,871	348,268,740	45,275,710	51,328,206
1886.	October 1.	1,264,889,561	364,894,599	60,170,793	48,176,838
1887.	October 1.	1,353,485,690	391,090,890	60,614,524	50,414,706
1888.	October 1.	1,384,340,280	377,329,865	57,959,356	52,020,975
1889.	October 1.	1,405,018,000	375,947,715	57,554,100	52,931,352

Year.	Date.	Gold certificates.	Silver certificates.	United States Notes.*	National bank notes.
1878.	March 1..	$44,364,100	.....	$311,436,971	$313,888,740
1879.	October 1.	14,843,200	$ 1,176,720	327,747,762	329,950,938
1880.	October 1.	7,480,100	12,203,191	329,417,403	340,329,453
1881.	October 1.	5,239,320	52,590,180	327,655,884	354,199,540
1882.	October 1.	4,907,440	63,204,780	325,272,858	356,060,348
1883.	October 1.	55,014,940	78,921,961	321,356,596	347,324,961
1884.	October 1.	87,389,660	96,491,251	325,786,143	324,750,271
1885.	October 1.	118,137,790	93,656,716	318,736,684	311,227,025
1886.	October 1.	84,691,807	95,387,112	310,161,935	301,406,477
1887.	October 1.	97,984,683	154,354,826	329,070,804	269,955,257
1888.	October 1.	134,838,190	218,561,601	306,052,053	237,578,240
1889.	October 1.	116,675,349	276,619,715	325,510,758	199,779,011

* Includes outstanding clearing house certificates of the act of June 8, 1872.

Meanwhile, the House passed a bill of like import to the one under consideration in the Senate, differing therefrom mainly in that it made the notes to be issued a full legal tender, and authorized the Secretary of the Treasury to redeem them in gold coin or silver bullion at current market rate. When this bill reached the Senate it was, by unanimous consent, accepted as a substitute for the Senate bill, and the discussion of the measure continued, occupying much of the time and attention of the Senate until June 17, 1890, when a vote was taken on an amendment proposed by Senator Plumb to strike out the first section authorizing the issue of notes and inserting the following:

"That from and after the date of the passage of this act, the unit of value in the United States shall be the dollar, and the same may be coined of 412½ grains of standard silver, or of 25.8 grains of standard gold, and the said coins shall be legal tender for all debts, public and private.

"That hereafter any owner of silver or gold bullion may deposit the same in any mint of the United States, to be formed into standard dollars, or bars, for his benefit, and without charge, but it shall be lawful to refuse any deposit of less value than $100, or any bullion so base as to be unsuitable for the operations of the mint."

This amendment was adopted by a vote of 43 to 24, the yeas being made up of Democrats and the Republicans from the silver producing states.

The adoption of this free silver amendment clearly indicated that a large majority of the Senate favored the free coinage of silver at the ratio of sixteen to one.

The other sections of the bill were then made to harmonize with this new provision, and the bill was passed and returned to the House, where the amendments were nonconcurred in, and a conference asked for.

The Senate granted the request, and Senators Sherman, Jones, of Nevada, and Harris were appointed to meet Representatives Conger, Walker, and Bland, of the House, in conference, to adjust the wide disagreements. On July 7 a bill agreed upon in conference was reported to the Senate, Messrs. Harris and Bland not joining in the report. The bill agreed to became a law July 12, 1890, and was as follows:

"That the Secretary of the Treasury is hereby directed to purchase, from time to time, silver bullion to the aggregate amount of 4,500,000 ounces, or so much thereof as may be offered in each month, at the market price thereof, not exceeding one dollar for 371.25 grains of pure silver, and to issue, in payment for such purchases of silver bullion, treasury notes of the United States to be prepared by the Secretary of the Treasury, in such form and of such denominations, not less than one dollar nor more than $1,000, as he may prescribe, and a sum sufficient to carry into effect the provisions of this act is hereby appropriated out of any money in the treasury not otherwise appropriated.

"SEC. 2. That the treasury notes issued in accordance with the provisions of this act shall be redeemable on demand, in coin, at the treasury of the United States or at the office of any assistant treasurer of the United States, and when so redeemed may be reissued; but no greater or less amount of such notes shall be outstanding at any time than the cost of the silver bullion, and the standard silver dollars coined therefrom, then held in the treasury, purchased by such notes; and such treasury notes shall be a legal tender in payment of all debts, public and private, except where otherwise expressly stipulated in the contract, and shall be receivable for customs, taxes, and all public dues, and when so received may be reissued; and such notes, when held by any national banking association, may be counted as a part of its lawful reserve. That, upon demand of the holder of any of the treasury notes herein provided for, the Secretary of the Treasury shall, under such regulations as he may prescribe, redeem such notes in gold or silver coin, at his discretion, it being the established policy of the United States to maintain the two metals on a parity with each other upon the present legal ratio, or such ratio as may be provided by law.

"SEC. 3. That the Secretary of the Treasury shall each month coin 2,000,000 ounces of the silver bullion purchased under the provisions of this act into standard silver dollars until the 1st day of July, 1891, and after that time he shall coin of the silver bullion purchased under the provisions of this act as much as may be necessary to provide for the redemption of the treasury notes herein provided for, and any gain or seigniorage arising from such coinage shall be accounted for and paid into the treasury.

"SEC. 4. That the silver bullion purchased under the provisions of this act shall be subject to the requirements of existing law and the regulations of the mint service governing the methods of determining the amount of pure silver contained, and the amount of charges or deductions, if any, to be made.

"SEC. 5. That so much of the act of February 28, 1878, entitled 'An act to authorize the coinage of the standard silver dollar and to restore its legal tender character,' as requires the monthly purchase and coinage of the same into silver dollars of not less than $2,000,000 nor more than $4,000,000 worth of silver bullion, is hereby repealed.

"SEC. 6. That upon the passage of this act the balances standing with the treasurer of the United States to the respective credits of national banks, for deposits made to redeem the circulating notes of such banks, and all deposits thereafter received for like purpose, shall be covered into the treasury as a miscellaneous receipt, and the treasurer of the United States shall redeem, from the general cash in the treasury, the circulating notes of said banks which may come into his possession subject to redemption; and upon the certificate of the comptroller of the currency that such notes have been received by him, and that they have been destroyed and that no new notes will be issued in their place, reimbursement of their amount shall be made to the treasurer, under such regulations as the Secretary of the Treasury may prescribe, from an appropriation hereby created, to be known as 'National bank notes: Redemption account,' but the provisions of this act shall not apply to the deposits received under section 3 of the act of June 20, 1874, requiring every national bank to keep in lawful money, with the treasurer of the United States, a sum equal to five per cent. of its circulation, to be held and used for the redemption of its circulating notes; and the balance remaining of the deposit so covered shall, at the close of each month, be reported on the monthly public debt statement as debt of the United States bearing no interest.

"SEC. 7. That this act shall take effect thirty days from and after its passage."

The authorship of this law has been generally credited to me, and it was commonly called the "Sherman silver law," though I took but little part in framing the legislation until the bill got into conference. The situation at that time was critical.

A large majority of the Senate favored free silver, and it was feared that the small majority against it in the other House might yield and agree to it. The silence of the President on the matter gave rise to an apprehension that if a free coinage bill should pass both Houses he would not feel at liberty to veto it. Some action had to be taken to prevent a return to free silver coinage, and the measure evolved was the best obtainable. I voted for it, but the day it became a law I was ready to repeal it, if repeal could be had without substituting in its place absolute free coinage.

It will be noticed that the act varied greatly from the House bill before the free coinage amendment was attached. The amount of silver bullion to be purchased was changed from $4,500,000 worth per month to 4,500,000 ounces per month. This change, owing to the fall in price of silver, not then anticipated, greatly reduced the quantity to be purchased. The House conferees yielded reluctantly to the striking out of the section in the bill providing for the redemption of the notes in bullion, a plan that had been urged by Secretary Windom. In lieu thereof, however, a clause declaring that it was the purpose of the government to maintain the parity of the metals was inserted. This was a most important amendment and one that has been generally accepted as indicating the purpose of the country to maintain all dollars at par with each other.

The chief merit of this law was that it suspended the peremptory coinage of the silver purchased under it into silver dollars which could not be circulated, but were hoarded in the treasury at great cost and inconvenience. It required the monthly purchase of a greater amount of silver than before, but that could be held in the form of bullion, and could be paid for by treasury notes equal in amount to the cost of the bullion, the whole of which was held in the treasury as security for the payment of the notes. If silver bullion did not decline in market value it could, if necessary, be coined without loss, and thus the parity of the notes with gold could be readily maintained according to the declared policy of the law. The friends of free coinage stoutly asserted that this purchase of silver

bullion would not only prevent its depreciation, but would advance its market value, and thus be a gain to the government. I did not believe this but hoped that it would not decline in value, and, in any event, it was better to stop the compulsory coinage of the bullion into dollars, as to force them into circulation would reduce the purchasing power of the dollar and bring the United States to the single standard of silver. Being compelled to choose between the measure proposed and the free coinage of silver I preferred the former, and voted for the bill and, thus, with others, became responsible for it.

Contrary to the expectation of the friends of silver it steadily declined in market value. The compulsory purchase of the enormous aggregate of fifty-four million ounces, or 2,250 tons Troy, each year, did not maintain the market value of silver, but it steadily declined so that the silver purchased each year entailed an annual loss of more than $10,000,000.

When the result became apparent I was anxious to arrest the purchase of silver, and I never could comprehend why anyone not directly interested in the mining of silver could favor a policy involving so heavy a loss to the people of the United States. Long before the second election of Mr. Cleveland I advocated the repeal of what became known as the "Sherman act," and heartily supported and voted for the repeal he recommended.

In the previous Congress I had introduced a bill "to declare unlawful, trusts and combinations in restraint of trade and production," but no action was taken upon it. On the 4th of December I again introduced this bill, it being the first Senate bill introduced in that Congress. It was referred to the committee on finance, and, having been reported back with amendments, I called it up on the 27th of February, and said that I did not intend to make any extended remarks upon it unless it should become necessary to do so. Senator George made a long and carefully prepared speech, from which it appeared that while he favored the general purpose of the bill he objected to it on the ground that it was not constitutional. This objection was shared by several Senators. I subsequently reported from the committee on finance a substitute for the bill,

and on the 21st of March made a long speech in support of it in which I said:

"I did not originally intend to make any extended argument on this trust bill, because I supposed that the public facts upon which it is founded and the general necessity of some legislation were so manifest that no debate was necessary to bring those facts to the attention of the Senate.

"But the different views taken by Senators in regard to the legal questions involved in the bill, and the very able speech made by the Senator from Mississippi [Mr. George] relative to the details of the bill, led me to the conclusion that it was my duty, having reported the bill from the committee on finance, to present, in as clear and logical a way as I can, the legal and practical questions involved in the bill.

"The object of this bill, as shown by the title, is 'to declare unlawful trusts and combinations in restraint of trade and production.' It declares that certain contracts are against public policy, null and void. It does not announce a new principle of law, but applies old and well-recognized principles of the common law to the complicated jurisdiction of our state and federal government. Similar contracts in any state in the Union are now, by common or statute law, null and void. Each state can and does prevent and control combinations within the limit of the state. This we do not propose to interfere with. The power of the state courts has been repeatedly exercised to set aside such combinations as I shall hereafter show, but these courts are limited in their jurisdiction to the state, and, in our complex system of government, are admitted to be unable to deal with the great evil that now threatens us.

"Unlawful combinations, unlawful at common law, now extend to all the states and interfere with our foreign and domestic commerce and with the importation and sale of goods subject to duty under the laws of the United States, against which only the general government can secure relief. They not only affect our commerce with foreign nations, but trade and transportation among the several states. The purpose of this bill is to enable the courts of the United States to apply the same remedies against combinations which injuriously affect the interests of the United States that have been applied in the several states to protect local interests.

* * * * * * * * *

"This bill, as I would have it, has for its single object to invoke the aid of the courts of the United States to deal with the combinations described in the first section, when they affect injuriously our foreign and interstate commerce and our revenue laws, and in this way to supplement the enforcement of the established rules of the common and statute law by the courts of the several states in dealing with combinations that affect injuriously the industrial liberty of the citizens of these states. It is to arm the federal courts within the limits of their constitutional power, that they may coöperate with the state courts in checking, curbing, and controlling the most

dangerous combinations that now threaten the business, property, and trade of the people of the United States. And for one I do not intend to be turned from this course by finespun constitutional quibbles or by the plausible pretexts of associated or corporate wealth and power.

"It is said that this bill will interfere with lawful trade, with the customary business of life. I deny it. It aims only at unlawful combinations. It does not in the least affect combinations in aid of production where there is free and fair competition. It is the right of every man to work, labor, and produce in any lawful vocation, and to transport his production on equal terms and conditions and under like circumstances. This is industrial liberty, and lies at the foundation of the equality of all rights and privileges."

I then recited the history of such legislation in England, from the period of Coke and Littleton to the present times. I also quoted numerous decisions in the courts of the several states, and explained the necessity of conferring upon the courts of the United States jurisdiction of trusts and combinations extending over many states.

Various amendments were offered and a long debate followed, until, on the 25th of March, Mr. George moved to refer the whole subject to the committee on the judiciary. I opposed this motion on the ground that such a reference would cause delay and perhaps defeat all action upon the bill. I stated that I desired a vote upon it, corrected and changed as the Senate deemed proper. The motion was defeated by the vote of yeas 18, nays 28. Subsequently, however, the bill was referred to the committee on the judiciary, with instructions to report within twenty days. On the 2nd of April Mr. Edmunds, chairman of that committee, reported a substitute for the bill, and stated that, while it did not entirely meet his views, he was willing to support it. Mr. Vest, Mr. George and Mr. Coke, members of the committee, also made statements to the same effect. When the bill was taken up on the 8th of April I said I did not intend to open any debate on the subject, but would state that after having fairly and fully considered the substitute proposed by the committee on the judiciary, I would vote for it, not as being precisely what I wanted, but as the best thing, under all the circumstances, that the Senate was prepared to give in that direction. The bill

passed by the vote of 52 yeas and 1 nay, Senator Blodgett, of New Jersey, alone voting in the negative. It was passed by the House and after being twice referred to committees of conference was finally agreed to, the title having been changed to "An act to protect trade and commerce against unlawful restraints and monopolies," and was approved by the President June 26, 1890.

The law as finally agreed to is as follows:

"SEC. 1. Every contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce among the several states, or with foreign nations, is hereby declared to be illegal. Every person who shall make any such contract, or engage in any such combination or conspiracy, shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by fine not exceeding five thousand dollars, or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

"SEC. 2. Every person who shall monopolize, or attempt to monopolize, or combine or conspire with any other person, or persons, to monopolize, any part of the trade or commerce among the several states, or with foreign nations, shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by fine not exceeding five thousand dollars, or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

"SEC. 3. Every contract, combination in form of trust or otherwise, or conspiracy, in restraint of trade or commerce in any territory of the United States or of the District of Columbia, or in restraint of trade or commerce between any such territory and another, or between any such territory or territories and any state or states or the District of Columbia, or with foreign nations, or between the District of Columbia and any state or states or foreign nations, is hereby declared illegal. Every person who shall make any such contract, or engage in any such combination or conspiracy, shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by fine not exceeding five thousand dollars, or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

"SEC. 4. The several circuit courts of the United States are hereby invested with jurisdiction to prevent and restrain violations of this act; and it shall be the duty of the several district attorneys of the United States, in their respective districts, under the direction of the attorney general, to institute proceedings in equity to prevent and restrain such violations. Such proceedings may be by way of petition setting forth the case and praying that such violation shall be enjoined or otherwise prohibited. When the parties complained of shall have been duly notified of such petition the court shall proceed, as soon as may be, to the hearing and determination of

the case; and pending such petition, and before final decree, the court may at any time make such temporary restraining order or prohibition as shall be deemed just in the premises.

"SEC. 5. Whenever it shall appear to the court before which any proceeding under section four of this act may be pending, that the ends of justice require that other parties should be brought before the court, the court may cause them to be summoned, whether they reside in the district in which the court is held or not; and subpœnas to that end may be served in any district by the marshal thereof.

"SEC. 6. Any property owned under any contract or by any combination, or pursuant to any conspiracy (and being the subject thereof) mentioned in section one of this act, and being in the course of transportation from one state to another, or to a foreign country, shall be forfeited to the United States, and may be seized and condemned by like proceedings as those provided by law for the forfeiture, seizure, and condemnation of property imported into the United States contrary to law.

"SEC. 7. Any person who shall be injured in his business or property by any other or corporation, by reason of anything forbidden or declared to be unlawful by this act, may sue therefor in any circuit court of the United States in the district in which the defendant resides or is found, without respect to the amount in controversy, and shall recover threefold the damages by him sustained, and the costs of the suit, including a reasonable attorney's fee.

"SEC. 8. That the word 'person,' or 'persons,' wherever used in this act, shall be deemed to include corporations and associations existing under or authorized by the laws of either the United States, the laws of any of the territories, the laws of any state, or the laws of any foreign country."

Since the passage of this act I have carefully studied and observed the effect, upon legitimate trade and production, of the combination of firms and corporations to monopolize a particular industry. If this association is made merely to promote production or to create guilds for friendly intercourse between persons engaged in a common pursuit, it is beneficial, but such is not the object of the great combinations in the United States. They are organized to prevent competition and to advance prices and profits. Usually the capital of several corporations, often of different states, is combined into a single corporation, and sometimes this is placed under the control of one man. The power of this combination is used to prevent and destroy all competition, and in many cases this has been successful, which has resulted in enormous fortunes and sometimes a large

advance in prices to the consumer. This law may not be sufficient to control and prevent such combinations, but, if not, the evil produced by them will lead to effective legislation. I know of no object of greater importance to the people. I hope the courts of the United States and of the several states, will deal with these combinations so as to prevent and destroy them.

On the 13th of May, 1890, I was drawn into a casual debate with Mr. Eustis, of Louisiana, which extended to others, on the relations of the north and the south, or, rather, between Union and Confederate soldiers. The subject before the Senate was a bill to aid the illiterate in obtaining a common school education. The chief benefit of the measure would have inured to the south, especially to the negroes of the south. Mr. Eustis complained of the 15th amendment to the constitution. I explained to him that this amendment would never have been adopted but for the action of the south in depriving the enfranchised voter, not only of his rights of citizenship, but of the ordinary rights of humanity. I gave the history of the reconstruction acts, the first of which was framed by a committee of which I was chairman. It was based upon the restoration of the southern states to all the rights and privileges they enjoyed before the war, subject to such changes as were made necessary by the abolition of slavery as the result of the war. There was then no feeling of hostility to the people of the south. I had heard at that time no expression of opinion except of kindness to them. There was a universal appreciation of the fact that while they were wrong—radically wrong, as we thought, in waging a useless and bloody war against the Union of this country—yet they were honest in their convictions, they believed the doctrines they fought for were the doctrines of the constitution, and there was, therefore, a spirit of generosity, of forbearance, of kindness, to these people, and everything they could ask for in reason would have been granted to them.

It was not then contemplated to arm the negroes with suffrage. A few, and but a few, Senators made such a proposition, but it was scouted and laid aside. It was at this time that the Ku-Klux crimes and violence broke out, and the laws

of the southern states were so cruel, so unjust, so wrong in our view of the rights of the colored people, and of white Republicans as well, that the people of the north resented this injustice. These laws burned like coals of fire in the northern breast. This led to the reconstruction acts, and the adoption of the 15th amendment. The 14th amendment was the act of the conservative Senators and Members, such as Fessenden, Trumbull and Doolittle. The 15th amendment was the natural result of cruelty and outrage in the south. This amendment has been practically nullified by the conservatives of the north, and now the people of the south have increased political power by reason of the abolition of slavery, while, backed by public opinion in the south, they deprive the colored people, by whom they gained this power, of their political rights, and that by processes that are denounced as criminal by every free state. Time, no doubt, will correct this evil. If justice is done to the negroes they will advance in intelligence with the improvement of their condition, and with the benefit of their labor the south will become more prosperous by the diversity of employments. There is reason to believe that in a brief period the south will engage in manufactures and become more prosperous than in the days of slavery.

On the 20th of May, the death of William D. Kelley was announced in the Senate. He entered the House of Representatives as I left it to take my seat in the Senate, but our frequent meetings in the consideration of bills of a financial character led to a friendship which was unbroken, and which imposed on me the duty of responding to the usual resolutions presented on the death of a Member. When Mr. Kelley entered the House as a Member from the city of Philadelphia, he had arrived at the mature age of forty-six, and had an established reputation for ability, industry, and fidelity to duty. He had been trained in the school of poverty, making his own way in the world, gathering knowledge by the wayside. He labored for several years at his trade as a mechanic, but, prompted by a restless thirst for knowledge, studied law, and for several years practiced the legal profession. In due time he became a judge and served as such for ten years, so

that when he entered public life as a Member of the House he was a trained lawyer, with strong convictions upon economic questions, and bold and earnest on all the stern issues of the Civil War.

The creed to which he devoted himself consisted of but three articles: That the Union must be preserved at all hazards, that the national government should exercise its exclusive power to provide money for the people of the United States, and that the laborer of our country should be protected in his industry from undue competition. To the establishment of each of these theories as the public policy of the country he contributed his full measure of effort and success. By instinct he was opposed to slavery. All his early struggles and his innate perceptions of the rights of man made him an enemy to all forms of oppression. Still, he would have respected the right of each state to deal with this question, but when it became manifest that slavery was the real cause of the attempt at secession, he was among the first and foremost to demand that it should be abolished. But especially as the recognized leader in the support of protection to American industry he exercised commanding influence and authority.

Whatever opinions might be honestly entertained by others as to the nature and extent of this protection, Judge Kelley had no doubt, but impartially and freely extended it to every industry, without regard to its nature, or the section in which it was pursued. On all economic questions he had accurate knowledge of details. His patient industry enabled him to master every shade and side of such a question, and especially so as to the policy of protection by discriminating duties. On other matters he was a follower, but in this always a leader. His writings and speeches upon this and kindred questions constitute a storehouse of information, and furnish the best evidence of his industry and ability.

From the time he entered public life until the hour of his death he commanded the full confidence of his people. No fluctuation of opinion, no personal rivalries, no contests for patronage or office, could weaken their confidence in his integrity and justice. These obstructions in the paths of public

men, often fatal, did not affect him. For thirty years he was the chosen Representative of one constituency, in our country an unexampled event. In the House of Representatives, famous for its sudden changes, he was for many years "the father of the House," and no doubt, if his life had been prolonged to the extreme period allotted to man, his seat in the House would have been safe for him.

On the 8th of July a similar announcement was made of the death of Samuel S. Cox, late a Representative of the city of New York. He had been a Member of Congress from Ohio before the Civil War, and shared in the exciting and dangerous scenes in Congress at that time, and I felt it became my duty, as one of the few surviving actors in those events, to pay a just tribute to the qualities of head and heart that made him and kept him a leader among the public men of our country for a period of more than thirty-three years, longer than the average life of a generation. This duty was the more imperative upon me as he was a native of Ohio, for forty years a resident, and for eight years a Representative in Congress from that state, honored and respected by all of whatever party or creed, and beloved by his associates as but few in political life can hope to be.

I could also speak of him from a longer personal acquaintance than anyone in either House, for I had known him or his kindred from almost the days of my boyhood. We were born in neighboring counties, he one year later than I. My father and his were associated as judge and clerk of the supreme court of Ohio. I knew of him as early as 1853, as the editor of the "Ohio Statesman," a Democratic paper published at Columbus, the organ of that party in Ohio, but my personal acquaintance and association with him commenced with his election, in 1856, as a Member of the House of Representatives.

While Mr. Cox was a successful leader in political life, and rendered his party due fealty on purely political questions, he was not always in harmony with the majority of his party. In his first speech in Congress, which was the first one made in the new hall of the House of Representatives, an opportunity carefully chosen by him with the skill of an actor, he took ground

against the Lecompton constitution, strongly recommended by Mr. Buchanan's administration. He supported several measures during the war not approved by his political associates. He spoke in favor of the amendment abolishing slavery, though he did not vote for it. By instinct, education and association, especially by family ties, he was against slavery. On all other questions of a political character he was, by inheritance, and no doubt by conviction, a Democrat, and faithfully followed the tenets of his party. I do not consider this a fault, but a virtue.

We constantly forget in our political contests that the great body of the questions we have to decide are nonpolitical. Upon these we divide without feeling and without question of motives. On all such matters Mr. Cox was always on the humanitarian side. He has linked his name in honorable association with many humane, kindly, and reformatory laws. If not the founder or father of our life-saving service, he was at least its guardian and guide. He took an active part in promoting measures of conciliation after the war. He supported the policy of the homestead law against the veto of Mr. Buchanan. He was the advocate of liberal compensation to letter carriers, of reducing the hours of labor, and of liberal pensions to Union soldiers. I doubt if there was a single measure placed on the statute book, during his time, which appealed to sympathy, charity, justice, and kindness for the poor, the distressed or the unfortunate, which did not receive his hearty support. If kindness bestowed is never lost, then Mr. Cox has left an inheritance to thousands who will revere his memory while life lasts.

Perhaps his most pleasing trait was his genial, social manner. Always gay, cheerful, and humorous, he scattered flowers on the pathway of his friends and acquaintances. His wit was free from sting. If in the excitement of debate he inflicted pain, he was ready and prompt to make amends, and died, as far as I know, without an enemy or an unhealed feud. I had with him more than one political debate and controversy, but they left no coolness or irritation. In our last conversation in the spring of 1889, we talked of old times and early scenes

more than thirty years past and gone, and he recalled them only to praise those who differed with him. He had malice for none, but charity for all. In that endearing tie of husband and wife, which, more than any other, tests the qualities of a man, both he and his wife were models of unbroken affection and constant help to each other.

He was fond of travel, and wrote several books descriptive of scenes and incidents of his journeys. He also wrote historical works. He entered, as an author, a lecturer, and a speaker, many fields of research, and in all sustained his reputation as a brilliant writer and speaker, always interesting and often eloquent, a close student who fully mastered his subject, and withal a man of generous impulses, kind and cheerful nature, a true friend, and a faithful public servant. This all can be said truly and without exaggeration of Mr. Cox. He did not contemplate death when I saw him last. His untimely death was the first news I received on my arrival in New York from a journey abroad. I am told that he met the common fate of all with patient confidence and an assured hope and belief in the doctrines of the Christian faith and the promise of future life.

It is fortunate that man cannot know the future, and especially that future beyond human life. Socrates, when condemned to death, consoled himself with the inconceivable happiness in a future state when he would converse and associate with and question the mighty array of heroes, patriots, and sages who had preceded him. He said to his judges, "It is now time to depart—for me to die, for you to live. But which of us is going to a better state is unknown to everyone but God." We cannot lift the veil, but may we not share the hope of the wisest of men that our farewell to associates who go before us is but a brief parting for a better life?

I have been frequently assailed for my part in the passage, in the spring of 1864, of a law to encourage immigration. In reporting this bill from the committee on finance, on the 18th of February of that year, I said:

"The special wants for labor in this country at the present time are very great. The war has depleted our workshops, and materially lessened our supply of labor in every department of industry and mechanism. In their

noble response to the call of their country, our workmen in every branch of the useful arts have left vacancies which must be filled, or the material interest of the country must suffer. The immense amount of native labor occupied by the war calls for a large increase of foreign immigration to make up the deficiency at home. The demand for labor never was greater than at present, and the fields of usefulness were never so varied and promising.

"The south, having torn down the fabric of its labor system by its own hands, will, when the war shall have ceased, present a wide field for voluntary white labor, and it must look to immigration for its supply.

"The following may be mentioned as the special inducements to immigration:

"First. High price of labor and low price of food compared with other countries.

"Second. Our land policy, giving to every immigrant, after he shall have declared his intentions to become a citizen, a home and a farm substantially as a free gift, charging him less for 160 acres in fee-simple than is paid as the annual rent of a single acre in England.

"Third. The political rights conferred upon persons of foreign birth.

"Fourth. Our system of free schools, melting in a common crucible all differences of religion, language, and race, and giving to the child of the day laborer and the son of the millionaire equal opportunities to excel in the pursuit and acquirement of knowledge. This is an advantage and a blessing which the poor man enjoys in no other country."

The committee rejected several plans to aid immigration, and closed its report as follows:

"Your committee are of the opinion that the only aid to immigration the United States can now render would be, first, to disseminate in Europe authentic information of the inducements to immigrate to this country; second, to protect the immigrant from the impositions now so generally practiced upon him by immigrant runners and the like, and, third, to facilitate his transportation from New York to the place of his destination, or to the place where his labor and skill will be most productive. These objects may be accomplished without great expenditure, and without changing the relation heretofore held by the United States to the immigrant.

"With this view your committee report the following bill and recommend its passage."

When, on the 27th of September, 1890, a bill was pending to restrict alien contract labor, I heartily supported it, and, after referring to the conditions which justified the act of 1864, said that since that time the class of immigration coming from some foreign countries had been such as would make it proper to exclude a portion of it, and therefore I was in favor

of the bill or any other bill that would prevent the poisoning of the blood of our people in any way whatever by the introduction of either disease, crime, or vice into our midst, and would vote to exclude all paupers or persons who were unable to earn an honest livelihood by labor. That is the correct principle. I think we did, during the war, go to the extreme in one direction to induce people to come among us to share our benefits and advantages, and we gave the reasons why we did so; but now the period has arrived when men of all parties, all conditions of life, all creeds, ought to be willing to limit and regulate immigration, so that only those who are able to labor and toil in the ordinary occupations of life and to earn a livelihood should be allowed to come. It is a high privilege to enter into American citizenship. Neither a pauper, in the strict legal sense of the word, nor any man unable to make his living, nor an imbecile, nor one who has a defect or imperfection of body or mind which lowers him below the standard of American citizenship, should be allowed to immigrate to this country.

The most important measure adopted during this Congress was what is popularly known as the McKinley tariff law. I had not given as much care and attention to this bill as other Senators on the committee on finance had, nor did I participate in its preparation as fully as they. When the Mills bill came to the Senate in 1888, the work of preparing amendments to, or a substitute for, that bill was intrusted to Messrs. Allison, Aldrich and Hiscock. Their work was submitted to the full committee on finance, and, after careful examination, was reported to the Senate, and was known as "the Senate bill" to distinguish it from the "Mills bill," for which it was substituted. When the McKinley tariff bill came to the Senate on the 21st of May, 1890, it was referred to the committee on finance and was there submitted to the same sub-committee that had considered the Mills bill. The McKinley bill, as amended by the committee on finance, was in substance the Senate bill of 1888.

It is not necessary here to refer to the long debate in the Senate on the McKinley tariff bill and the amendments proposed

in the Senate. The result was a disagreement between the two Houses and the reference of the disagreeing votes to a committee of conference, of which I was a member. When the report of the committee of conference came before the Senate I made a long speech justifying, as I thought, the public policy involved in the proposed tariff taxation. I stated that the sub-committee named was entitled to the credit of all the labor expended on the bill, that as a member of the committee of ways and means or on finance I had participated in framing all the former revenue laws since 1858, but as to this bill I had done only what I thought was my duty in keeping pace with the labor of the sub-committee, and in examining the bill as far as I could consistently with other duties, and giving my judgment upon its details whenever I thought it necessary.

My speech was turned into a colloquial debate by the interruptions of several Senators, among whom were Gray, Carlisle, Gibson and Paddock, but this enabled me to meet the chief objections to the conference report. More than four-fifths of the provisions of the bill, as reported by the conference, were precisely in the language of the bill as passed by the House. The residue was chiefly taken from the Senate bill, fully discussed in the previous session. The rates of duties must necessarily be changed from time to time to meet the change in prices, the course and balance of trade, the relative amounts of exports and imports, and the amount of revenue required. These changes are rapid and unforeseen, so that under any system of taxation the revenue may rise or fall, whatever may be the rates of duty or taxes. Parties and politicians, in defining their political creeds, talk about a tariff for revenue and a tariff for protection. These are misleading phrases, for every tariff for revenue imposed on any imported article necessarily protects or favors the same article produced in the United States, which is not subject to the tariff tax.

The real struggle in tariff legislation is one of *sections*, or, as General Hancock truly said, it is "a local question." The Republican party affirms that it is for a protective tariff. The Democratic party declares that it is for a tariff for revenue only; but

generally, when Republicans and Democrats together are framing a tariff, each Member or Senator consults the interest of his "deestrict" or state. It so happens that by the constitutional organization of the Senate, two sections have an unequal allotment of Senators in proportion to population. The New England States have twelve able and experienced Senators, with a population, according to the census of 1890, of 4,700,745, or one Senator for less than 400,000 inhabitants. The nine states west of the Missouri, commonly classified as the silver or western states, have eighteen Senators, with a population of 2,814,400, or one Senator for less than 160,000 inhabitants. This representation in the Senate gives these groups of states a very decided advantage in tariff legislation. The average of Senators to the whole population is one for 712,000 inhabitants. This inequality of representation cannot be avoided. It was especially manifest in framing the tariff of 1883, when New England carried a measure that was condemned by public opinion from the date of its passage.

I undertook, in my speech, to define the condition of tariff legislation, and the position of each party in regard to it. I said:

"A change and revision has been demanded by both parties since 1883. The tariff law of 1883 did not give satisfaction to the people of the United States. It had many imperfections in it. I always thought the great error was made in 1883 in not making, as the substantial basis, as the real substance of the tariff law of that year, the report of the tariff commission. Whether that was wise or unwise, it is certain that the tariff of 1883 never gave satisfaction. There were defects found in it in a short time, and from then till now the subject of the revision of the tariff has been a matter of constant debate in both Houses. It has been the subject of political debate before the people of the United States in two several presidential campaigns, and the election of at least two Congresses depended upon questions arising out of the tariff, until finally the Republican party, controlling in the Senate, and the Democratic party, controlling in the other House, undertook to bring before the people of the United States their rival theories as to the tariff. We had the Mills bill two years ago. It was very carefully examined and sent to us as a Democratic production. It came here and in place of it there was substituted what was called the Senate bill of 1888. That was sent back to the House, and the House disagreed to it, and thus this controversy was at once cast into the presidential election. Here were the platforms of the two great parties embodied in the form of bills,

and the choice between them, not having been decided in Congress, was remitted to the people, and the people of the United States passed their judgment upon the general principles involved in these bills.

"Now, what are those general principles? I think I can state them very clearly and very briefly. On the one hand, the Democratic party believe in a tariff for revenue only, sometimes, they say, with incidental protection, but what they mean is a tariff intended solely to raise money to carry on the operations of the government. On the other hand, the Republican party believe that we should do something more besides merely providing revenue, but that we should so levy the duties on imported goods that they would not only yield us an ample revenue to carry on the operations of the government, but that they would do more; that they would protect, foster, and diversify American industry. This broad line of demarkation entered into the presidential contest.

"Mr. president, the result of it all is that the Republican party carried not only both Houses of Congress, but they carried the popular voice, elected the President, and now all branches of the government are governed by the Republican ideas and not by the Democratic ideas.

"What then was done? The House of Representatives took up the Senate bill of 1888, revised it, modified it, and changed it so as to suit the popular will of the present day, and sent it to us, and we made some changes in it, and that is the bill now before us. To say that anyone can be misled or may be deceived or does not know the contents of this bill is to confess a degree of ignorance that I would not impute to any Senator of the United States or to any Member of Congress.

"There are two or three principles involved in this bill; first, that it is the duty of Congress to foster, protect and diversify American industry. We believe that whenever a new industry can be started in our country with a successful hope of living, with a reasonable protection against foreign manufactures, we ought to establish it here, and that that is a good policy for the country. It is not necessary for me to show that this policy is as old as our constitution; that Washington proclaimed it; that even Jefferson and Madison and the old Republican Presidents of the former times were in favor of that doctrine, and that General Jackson advocated it in the most emphatic way in many different forms of speech. It has come down to us, and we are trying now to carry out that idea, to encourage home production by putting a tax upon foreign productions. As this tax does not apply to home production, therefore it is a protection against the importation of foreign goods to the extent of the tax levied. We think that this tax ought to be put at such a rate as will give to our people here a chance to produce the articles and pay a fair return for the investment made and for the labor expended at prices higher in this country than in any country in the world. That is the first rule, and I believe that that rule has been carried out, and I think liberally, and so as to secure increased production at home and a larger market."

I am not entirely content with this statement of the position of the two great parties, nor do I believe that any line of demarkation between them can be made, nor ought it to be made. If any proof of this is required I need only refer to the unhappy result of the tariff law of the last Congress, which left the country without sufficient revenue to meet current expenses of the government, and caused the absorption for such expenses of the gold reserved for the maintenance of resumption, which now endangers our financial system. I will have occasion to refer to this subject hereafter.

The conference report was adopted by the Senate on the 30th of September by the vote of yeas 33 and nays 27. The bill was approved by the President on the 1st of October, and on the same day Congress adjourned.

Many other measures of importance were considered during this long session of ten months, but my space will not allow me to refer to them.

When in Frankfort, in the summer of 1889, I learned that George H. Pendleton, my former colleague in the Senate and then our minister at Berlin, was sick at Homburg. I called upon him there, and, though he was able to receive me at his lodgings, I noticed the marks of death on his face. He was cheerful, and still preserved the kindly manners that gave him the name of "Gentleman George." He still hoped that he would be able to return home, and inquired in regard to mutual friends, but his hope was delusive and he died on November 24, 1889. In February, 1890, his body was conveyed to his home in Cincinnati and was buried in Spring Grove Cemetery. I was invited to his funeral but was compelled to decline, which I did in the following note, which faintly expressed my high respect and affection for him:

U. S. Senate,
Washington, D. C., February 26, 1890.

My Dear Sir: — Your note of the 24th, in respect to the funeral of Mr. Pendleton, has been received.

Yesterday, when Mayor Mosby invited me to attend the funeral ceremonies at Cincinnati, I felt both willing and eager to express my warm affection and appreciation of my old colleague. I know no one among the living or the dead of whom I could speak more kindly, and for whom I felt

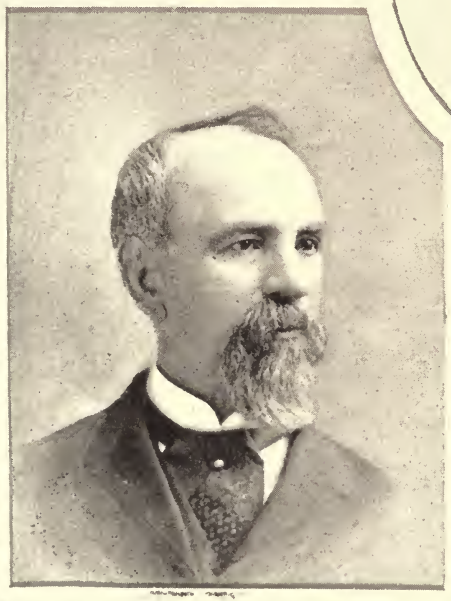
a more sincere respect; but find that I have engagements and public duties that I cannot avoid, and, besides, while reasonably well, the lingering effects of the grippe still hang on me, and my doctor advises against a long and wearisome journey.

Under the circumstances I felt compelled, though reluctantly, to telegraph Mayor Mosby the withdrawal of my acceptance, and proffered to assist him in every way to find some acceptable person to perform the gracious duty assigned to me. This I will do. Lengthy orations in the presence of the dead are out of place and out of time. A brief, warm, hearty, kindly statement of the character and life of Mr. Pendleton is all that is needed.

Very truly yours, JOHN SHERMAN.

On the 10th day of May, 1890, I reached the age of sixty-seven years. My wife determined to celebrate the event and invited a distinguished party, among whom were President Harrison, Vice President Morton, Sir Julian Pauncefote and General Sherman, to dine with us on the evening of that day, the dinner to be followed by a general reception. I was accustomed to pass each milestone of my journey in life without notice, but as we were both in good health I readily yielded to her wish. Undue importance was given by the papers to this social gathering and I received many letters of congratulation and read many kindly notices in papers representing each of the two great parties. I looked upon this as evidence that I had arrived at that period of life when a difference in political opinions was no longer regarded as a ground of personal disfavor.

Soon after the adjournment of Congress I returned to Ohio and entered actively into the political canvass. The election was for secretary of state and a few state officers, but the chief contest was upon the election of Members of Congress. I made my first speech in the Ohio canvass at Wilmington on the 16th of October. It was a prepared speech and dealt mainly with the recent acts of Congress. I opened with a general comparison of the two great parties of the country. The subjects discussed were the trust law, the pension legislation, the silver law and the McKinley tariff law. I defended the latter as a protective measure that, while reducing taxation, maintained the protection of all American industries impartially. I continued in the canvass diligently, speaking almost



SAMUEL S. COX,
BORN AT ZANESVILLE, OHIO, SEPT. 30, 1824.
DIED AT NEW YORK, SEPT. 10, 1889.

ROBERT C. SCHENCK,
BORN AT FRANKLIN, OHIO, OCT. 4, 1809.
DIED AT WASHINGTON, D. C., MARCH 23, 1890.

GEORGE H. PENDLETON,
BORN AT CINCINNATI, OHIO, JULY 25, 1825
DIED AT BRUSSELS, NOV. 24, 1889.

REPRESENTATIVE OHIO MEN

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every day until the election. Among the largest meetings was one at Findlay on the 28th of October and one at Music Hall, Cincinnati, on the 31st, where Governor Foraker and I spoke together. The meeting at Music Hall was especially notable for the number and enthusiasm of those present.

During this canvass, on the 25th of October, I attended a meeting at the city hall, Pittsburg, which was largely attended. The chief interest in this busy, thriving city was the tariff question, to which I mainly confined my speech. In opening I said:

"While on my way here I wondered what in the world the people of Pittsburg wanted to hear me for — why they should invite a Buckeye from Ohio to talk to them about Republican principles? This city of Pittsburg is the birthplace of the Republican party. Here that grand party commenced its series of achievements which have distinguished it more than any other party that ever existed in ancient or modern times; because it has been the good fortune of the Republican party to confer upon the people of the United States greater benefits than were ever conferred by any other political organization on mortal men. We have had periods in our existence which demonstrated this. When, in 1853, you or your ancestors organized the Republican party, our only object was to resist the extension of slavery over our western territory. Afterward, in 1861, the only object of the Republican party was to maintain the union of these states, to preserve our country as an inheritance for your children and your children's children. In 1876 the object of the Republican party was to make good the promises contained in our notes, and to make all our money as good as gold and silver coin. Now, the great issue between the parties, not so great as in the past, but still worthy of discussion, is how shall we levy the taxes to support the national government? That is the question that is to be discussed mainly to-night."

The mention of the McKinley tariff law was received with immense applause and cheers. Continuing, I said:

"That bill is very well named. It is named after Wm. McKinley, a kind of Pennsylvania-Ohio Dutchman, with a little Scotch-Irish mixed in him, too—a brilliant neighbor of mine, whom, I am told, you have had the pleasure of hearing. It is true that this bill was made up largely of what was called the Senate bill of the year before, and new lines had contributed toward the formation of that bill; but it was properly named after Mr. McKinley because of his indomitable pluck, his ability, his energy.

"It was pushed through the House after great opposition, because the Democrats, as usual, opposed that, as they opposed everything else."

The election in Ohio resulted in Republican success, Daniel J. Ryan, the head of the ticket, being elected secretary of state by about 11,000 majority.

Shortly after the election I was in the city of New York, and was there interviewed. I was reported to have said:

"The Republican defeats do not bother me at all, I have seen many such revulsions before and we get around all right again. It does us good, we become more active and careful. It will be all right.

"I will cite an instance in my own state, Ohio. Last year we lost our governor, this year we carry the state by a splendid majority. The Democrats fixed up the congressional districts so we would get six Congressmen only, but we got eight."

"What of Major McKinley's election to Congress?"

"Major McKinley is, I fear, defeated, though when I left Ohio it was thought that he had succeeded by a small majority. If he could have run in his old district his majority would have been 3,500 or 4,000, against 2,000 received by him two years ago. But they placed him in a district of three Democratic counties and only one Republican county, in which the Democratic majority is upward of 2,000. It looks now as if he is defeated by about 130 votes. It simply means that the major will be the next Governor of Ohio. He made a splendid canvass and a magnificent run, and defeat is not the proper name for the result. Mr. McKinley told me before the election that he did not expect to succeed with such odds against him.

"As to the general result of the congressional elections, I have seen such convulsions a dozen times or more, but they have had no permanent effect. In 1878, when I was Secretary of the Treasury, we lost the House and Senate both, but two years later, in 1880, we rallied and recovered all that we had lost and elected a Republican President besides. I do not regard the present situation with apprehension. The country will be wiser by next year and better able to pass upon the issues."

The second session of the 51st Congress met on the 1st of December, 1890. The annual message of the President dealt with the usual topics. The surplus for the fiscal year ending June 30, 1890, including the amount applied to the sinking fund, was $105,344,496. In referring to the act "directing the purchase of silver bullion and the issue of treasury notes thereon," approved July 14, 1890, the President said:

"It has been administered by the Secretary of the Treasury with an earnest purpose to get into circulation, at the earliest possible dates, the full monthly amounts of treasury notes contemplated by its provisions, and at the same time to give to the market for silver bullion such support as the

law contemplates. The recent depreciation in the price of silver has been observed with regret. The rapid rise in price which anticipated and followed the passage of the act was influenced in some degree by speculation, and the recent reaction is in part the result of the same cause and in part of the recent monetary disturbances. Some months of further trial will be necessary to determine the permanent effect of the recent legislation upon silver values, but it is gratifying to know that the increased circulation secured by the act has exerted, and will continue to exert, a most beneficial influence upon business and upon general values."

On the 18th of December I reported, from the committee on finance, a bill to provide against the contraction of the currency, and for other purposes. This bill embodied several financial bills on the calendar which had been reported by the committee, and it was deemed best to include them in a single measure. The bill was recommitted and again reported by me on the 23rd of December, when Mr. Stewart gave notice of and had read an amendment he intended to offer providing for the free coinage of silver.

On January 5, 1891, at the expiration of the morning hour, Mr. Stewart moved to proceed to the consideration of this bill. By a combination of seven Republican with the Democratic Senators the motion was carried, thus displacing the regular order of business, which was a bill relating to the election of Members of Congress, and which had been under discussion for several days.

Mr. Stewart then offered, as an amendment to the amendment of the committee, then pending, the following provision:

"That any owner of silver bullion, not too base for the operations of the mint, may deposit the same in amounts of the value of not less than $100, at any mint of the United States, to be formed into standard dollars or bars, for his benefit and without charge, and that, at the said owner's option, he may receive therefor an equivalent of such standard dollars in treasury notes of the same form and description, and having the same legal qualities, as the notes provided for by the act approved July 14, 1890, entitled 'An act directing the purchase of silver bullion, and the issue of treasury notes thereon, and for other purposes.' And all such treasury notes issued under the provisions of this act shall be a legal tender for their nominal amount in payment of all debts, public and private, and shall be receivable for customs, taxes, and all public dues, and when so received may be reissued in the same manner, and to the same extent, as other treasury notes."

This being an amendment to an amendment, no further modification or change could be made to the bill until it was disposed of. Mr. Stewart made some remarks, and in conclusion said:

"I do not intend further to comment, at this time, on the amendment to the bill which I have offered. If it shall be adopted, then there are other portions of the bill which can be stricken out. The amendment I have offered presents the question naked and simple. Will you remonetize silver and place it back where it was before it was excluded from the mints of the United States and Europe?"

I was taken by surprise at the sudden presentation of this question, but promptly took the floor and said:

"The sudden and unexpected change of the scene, the introduction of an entirely new topic into our debate, must not pass by without the serious and sober attention of every Senator on this floor to the revolutionary measure now proposed. I do not wish to, nor will I, nor can I, regard this as a political question, because we know that the local interests of a certain portion of our number — and I do not object to Senators representing the interest of their constituents — lead them to opinions different from the opinions of Senators from the larger states containing the great mass of the population of this country, not only in the north, but in the south; and therefore, while the Republican party may be weakened by the unexpected defection of a certain portion of our number who agree with us in political opinions generally, yet that will not relieve the minority in this body, our Democratic associates, from the sober responsibility which they will assume by aiding in the adoption of this measure. At the very outset of this discussion I appeal to the sober judgment of Senators to consider the responsibility which they take in adopting what I regard as a revolution more full of injury, more dangerous in its character, and more destructive in its results, than any measure which has been proposed for years.

"Now, what is this question? The Senator from Nevada [Mr. Stewart], representing a state whose chief production is silver, offers an amendment to change entirely the standard of valuation of all the property of the United States. At present all contracts are founded upon what is called the gold standard. Every particle of property we enjoy, every obligation of contract, whether by the national government or by each individual citizen, is now based in actual fact upon the gold standard of 25.8 grains. That is the standard of all the commercial nations of the world. It is the standard of France, which, like ourselves, has used silver to a large extent. It is the standard of value of France and every country of Europe."

I then, at considerable length, stated the objections to the free coinage of silver and the revolution it would create in the

financial condition of the country. This led to a long debate, participated in by many Senators. On the 13th of January I made a long and carefully considered speech, extending through fourteen pages of the "Record," in which I entered into detail in reply to the speeches that had been made, and stated the objections to the free coinage of silver. It is too long to insert even an abstract of it here. I have carefully read this speech and refer to it as the first of three speeches, the second being delivered on the 30th of June, 1892, and the third on August 30, 1893, as the best presentation I have ever made of the question involved, and as containing all the material facts bearing upon the question of free coinage and the folly of its adoption.

It was manifest that the combination that had been made intended to force the adoption of the amendment. The vote on it was taken on the 14th of January and the result was yeas 42 and nays 30. Nearly all the Senators from the western group of states, though Republicans, voted for the amendment in favor of free coinage. Only four voted against it. So the amendment of Mr. Stewart was agreed to. The bill was further discussed and changed to conform to the amendment and finally passed the Senate by the vote of yeas 39, nays 27, but failed to pass the House.

Thus the debate and the adoption by the Senate of free coinage defeated all financial legislation during that session.

CHAPTER LVIII.

Efforts to Construct the Nicaraguan Canal.

Early Recognition of the Needs of a Canal Across the Isthmus Connecting North and South America — M. de Lesseps Attempts to Build a Water Way at Panama — Feasibility of a Route by Lake Nicaragua — First Attempts in 1825 to Secure Aid from Congress — The Clayton-Bulwer Convention of 1850 — Hindrance to the Work Caused by This Treaty — Report of the Committee on Foreign Relations in 1891 — Failure to Secure a Treaty Between the United States and Nicaragua in 1884 — Cleveland's Reasons for Withdrawing This Treaty — Incorporation of the Maritime Canal Company of Nicaragua — Inevitable Failure of Their Attempts Unless Aided by the Government — Why We Should Purchase Outright the Concessions of the Maritime Company — Brief Description of the Proposed Canal — My Last Letter from General Sherman — His Death from Pneumonia After a Few Days' Illness — Messages of President Harrison — Resolutions — My Commemorative Address Delivered Before the Loyal Legion.

ONE of the most important subjects considered by the Senate within the last ten years, to which I have given special attention, is the construction of a ship canal across Central America. The American continents, stretching from the polar regions of the north to the Straits of Magellan, south of the 50th parallel of south latitude, present a barrier to navigation from the east to the west, to overcome which has been the anxious desire of mankind ever since the discovery of America by Columbus. It was the object of his memorable voyage to find a water way from Spain to China and India. While his discovery was an event of the greatest importance, yet it was a disappointment to him, and in all his subsequent voyages he sought to find a way through the newly-found land to the Indian Ocean. The spirit of enterprise that was aroused by his reports led many adventurers to explore the new world, and before many years the peculiar formation of the long strip of land connecting North

and South America was clearly defined. The Spaniards conquered Mexico and Peru, and at this early period conceived the idea of a canal across the isthmus, but the obstruction could not be overcome by the engineering of that day. The region of Central America was soon occupied by Spain, and was divided into many colonies, which, in process of time, became independent of Spain, and of each other.

During the four centuries that have elapsed since the discovery, the construction of a canal across the isthmus has been kept in view, and by common consent the routes at Panama and through Lake Nicaragua have been regarded as the best. That at Panama is the shortest, but is impracticable, as was shown by the abortive attempt of M. de Lesseps. The route by Lake Nicaragua was early regarded by the American people as the only adequate, efficient and practicable passage. Though burdened with the delays of lockage, it is more practical, less costly and more useful than the one at Panama would have been, and will accomplish the same object. When, in 1825, the independence of the republic of Nicaragua was secured, that government appealed to the United States for assistance in executing the work of a canal by that route. Mr. Clay, then Secretary of State, took an active interest in the subject, and said, in a letter to the commissioners of the United States to the congress of Panama:

"A canal for navigation between the Atlantic and Pacific Oceans should form a proper subject of consideration at the congress. The vast object, if it should ever be accomplished, will be interesting in a greater or less degree to all parts of the world; but especially to this continent will accrue its greatest benefits; and to Colombia, Mexico, Central America, Peru, and the United States, more than any other of the American nations."

No action was taken, as the discordant interests of the several Central American states prevented. When California was acquired as the result of the Mexican War, and gold was discovered in its soil, the necessity for some means of speedy transit from the Atlantic to the Pacific coast became imperative. The route by Panama, being the shortest line across the isthmus, was naturally taken by the eager gold seekers and a railroad was soon after constructed over this route. The movement of

travel and transportation across the isthmus tempted M. de Lesseps and his associates to undertake the task of constructing a canal, with the result already stated.

Prior to 1850 the movements of the British government to seize the country at the mouth of the San Juan River in Nicaragua, with the evident view of controlling the construction of a canal by way of Lake Nicaragua, excited in this country the deepest interest and apprehension. This led to the Clayton-Bulwer convention of 1850, by which the United States and Great Britain stipulated that neither of the governments "will ever obtain for itself any exclusive control over the canal or colonize or assume or exercise any domain over Nicaragua, Costa Rica, the Mosquito Coast, or any part of Central America."

It provided for the exertion of the influence of the two governments in facilitating the construction of the work by every means in their power, and that after completion they would defend its neutrality, with the privilege of withdrawing such guaranty on notice. It also provided for inviting other governments to come into the same arrangement, and that each party should enter into treaty stipulations with such of the Central American states as might be deemed advisable for carrying out the great design of the convention. It declared that no time should be unnecessarily lost in commencing and constructing the canal, and, therefore, that the two governments would give their support and encouragement to such persons as might first offer to commence the same with the necessary capital, and that, if any persons then already had obtained the right to build it from the Central American government and should fail, each of the two governments should be free to afford its protection to any other company that should be prepared to proceed with work.

This treaty has given rise to much discussion, and has ever since been a hindrance to the great work it proposed to advance. The British government has repeatedly violated the treaty by extending its possessions and strengthening its influence in that part of the world. The report made by me, as chairman of the committee on foreign relations, on the 10th of January,

1891, in response to a resolution of the Senate, contains a full statement of the results of that treaty. As this report has been widely circulated and was considered an important document, it is but just for me to say that, while I presented it, two other members of the committee participated in its preparation. The first part, relating to negotiations, was written by Senator Edmunds; the second part, relating to the then condition of the work on the Nicaragua Canal and its value, tonnage and business, by Senator Morgan; and the residue, in respect to the financial aspect of the subject, the cost of the work proposed and the aid that should be given by the United States in its construction, by me. The framing of a bill to carry into effect the recommendations of the committee was the work of the full committee. I do not think it necessary to restate here the position of the committee, as no definite action has been taken by Congress on the bill reported. The report was signed by each member of the committee, as follows: John Sherman, Chairman, Geo. F. Edmunds, Wm. P. Frye, Wm. M. Evarts, J. N. Dolph, John T. Morgan, Joseph E. Brown, H. B. Payne, J. B. Eustis.

There are, however, questions connected with this subject which are of vital interest to the United States, and not presented in that report. By the treaty negotiated in 1884, between the United States and Nicaragua, the canal was to be built by the United States. This treaty was sent to the Senate on December 10, 1884, by President Arthur, who, in strong and earnest language, recommended its ratification. It had been frequently debated, but was still pending in the Senate when Mr. Cleveland became President. I do not feel at liberty to state the causes of delay, nor the ground taken, nor the votes given either for or against it, as the injunction of secrecy in respect to it has not been removed, but I have regarded as a misfortune its practical defeat by the want of a two-thirds vote, required by the constitution to ratify a treaty. The terms granted in it by Nicaragua were liberal in the broadest sense. The complete control of the canal and its appurtenances, and the manner of its construction, were invested in the United States. The conditions proposed would have made it an international

work of great importance to all commercial nations, while ample authority was reserved on the part of the United States to protect its investment with tolls sufficient to pay the interest and refund the principal.

At the called session of March, 1885, Mr. Cleveland withdrew the treaty, not from opposition to its general purposes, but because, as he stated in his annual message in December, 1885, it was "coupled with absolute and unlimited engagements to defend the territorial integrity of the states where such interests lie." He held that this clause was an "entangling alliance, inconsistent with the declared policy of the United States." This objection to the treaty could have been easily removed by negotiation, as Mr. Bayard, a Member of the Senate when the treaty was pending, and Secretary of State under President Cleveland, very well knew. Thus, by an unfortunate division in the Senate and the action of the President, the construction of the canal by the United States was prevented. Subsequently, in 1887, concessions were made by Nicaragua and Costa Rica to a private association of citizens of the United States, which led to the incorporation, by Congress, of the Maritime Canal Company of Nicaragua.

The interposition of a private corporation between the United States and Nicaragua has created all the delays and embarrassments that have followed. Such a corporation can obtain money only by selling its bonds bearing a high rate of interest, secured by a mortgage of all its property and concessions, and its stock must accompany the bonds. Experience has shown that such a work cannot be executed, especially on foreign soil, without the support and aid of a powerful government. If such aid is rendered it must be to the full cost of the work, and all the benefits should inure to the people and not to the corporation or its stockholders. The experience of the United States in the construction of the Pacific railroads is an example of the inevitable result of copartnership. The attempt of the Maritime Company to construct such a work as the Nicaragua canal without the aid of the government will end either in failure or at a cost, in bonds and stock, the interest of which would be so great that the cost of the transit of

vessels through the canal would deter their owners from using it, and goods would be, as now, transferred by rail to and from Panama.

The method of aiding the Maritime Canal Company proposed in the bill reported by me, and again recently by Senator Morgan, is as good as any that can be devised, but I greatly prefer the direct and absolute purchase of the concessions of that company, and the negotiation of new treaties with Nicaragua and Costa Rica upon the basis of the former treaty, and the execution of the work under the supervision of the engineer corps of the United States in the same manner that internal improvements are made in this country. The credit of the United States will secure a loan at the lowest possible rate of interest, and with money thus obtained, and with the confidence of contractors that they will receive their pay for work done, the cost will be reduced to the actual sum needed. It is the interest of the commercial world as well as of the United States that the tolls charged on the passage of vessels should be as low as possible, and this will be secured by the construction of the work by the government.

If the present owners of the concessions from Nicaragua and Costa Rica will not accept a reasonable price for their privileges and for the work done, to be fixed by an impartial tribunal, it is better for the United States to withdraw any offer of aid; but if they will accept such an award the United States should take up the work and realize the dream and hopes of Columbus. At present the delay of action by Congress grows out of the fact that no detailed scientific survey of the route has been made by the engineer corps of the United States. The only approach to such a survey was the one made by A. G. Menocal, an accomplished civil engineer of the navy, but it was felt that this was not sufficient to justify the United States in undertaking so great and expensive a work. In accordance with this feeling the 53rd Congress directed the Secretary of War to cause a thorough survey to be made and to submit a full report to the next Congress, to convene December 2, 1895. This survey is now in progress and will no doubt largely influence the future action of Congress.

A brief description of the canal proposed may be of interest to those who have not studied the geography and topography of its site, though it is difficult to convey by writing and without maps an adequate conception of the work. It is apparent, according to Menocal's surveys, that the physical difficulties to be overcome are not greater than those of works of improvement undertaken within our own country, for the highest part of the water way is to be only 110 feet above the two oceans—a less altitude than that of the base of the hills which surround the city of Washington. The works proposed include a system of locks, similar in character to the one built by the United States at the falls of Sault Ste. Marie and to those constructed by Canada around the falls of Niagara. A single dam across the San Juan River, 1,250 feet long and averaging 61 feet high, between two steep hills, will insure navigable water, of sufficient depth and width for the commerce of the world, for a length of 120 miles. The approaches to this level, though expensive, are not different from similar works, and will be singularly sheltered from floods and storms. Of the distance of 169.4 miles from ocean to ocean, 142.6 miles are to be accomplished by slack-water navigation in lake, river, and basins, and only 26.8 miles by excavated canal. The greatest altitude of the ridge which divides Lake Nicaragua from the Pacific Ocean does not exceed, at any point, 42 feet above the lake.

Perhaps the chief engineering difficulty is in the construction of harbors at the Pacific and Atlantic termini of the canal; but that at Greytown, on the Atlantic coast, which is considered the most formidable, has already been partially built. The obstacles are not to be compared with those encountered in the attempted construction of the Panama Canal, or with those which were easily overcome in the construction of the Suez Canal; and the whole work, from ocean to ocean, is free from the dangers of moving sand and destroying freshets. Lake Nicaragua itself is one of the most remarkable physical features of the world. It fills a cavity in the midst of a broken chain of mountains, whose height is reduced, at this point, nearly to the level of the sea, and it furnishes not only the means of navigation at a low altitude, but enormous advantages as a safe harbor.

No. 75 West 71st Street,
New York.

Tuesday Feb 3. 1891

Dear Brother

I am drifting along in the old rut – in good strength attending about four dinners out per week at public or private houses. and generally wind up for gossip at the Union League Club. Last night discussing the Effect of Mr Windoms death & funeral several prominent gentlemen remarked that Windoms fine speech just preceding his death was in line with yours on the Silver question in the Senate. and also – with a carefully prepared interview of you. by George Alfred Townsend which I had not seen. I have ordered of my Book man the New York Sun of Sunday Feb ~~21~~ 1st which contains the interview.

You sent me a copy of your speech in pamphlet form which was begged of me and as others naturally apply for copies. I wish you would have your Secretary send me a dozen. that I may distribute them.

All well here and send love –

Your brother

W. T. Sherman

LIBRARY
OF THE
UNIVERSITY
OF
CALIFORNIA

If the survey ordered and now (1895) being made should confirm the reports of Menocal there is no reason why the United States should not assume and execute this great work without ultimate loss, and with enormous benefit to the commerce of the world. It will be a monument to our republic and will tend to widen its influence with all the nations of Central and South America.

The last letter I received from General Sherman was as follows:

No. 75 West 71st Street, New York,
Tuesday, February 3, 1891.

Dear Brother: I am drifting along in the old rut—in good strength, attending about four dinners out per week at public or private houses, and generally wind up for gossip at the Union League club. Last night, discussing the effect of Mr. Windom's death and funeral, several prominent gentlemen remarked that Windom's fine speech just preceding his death was in line with yours on the silver question in the Senate, and also with a carefully prepared interview of you by George Alfred Townsend which I had not seen. I have ordered of my book man the New York 'Sun' of Sunday, February 1st, which contains the interview.

You sent me a copy of your speech in pamphlet form which was begged of me, and as others naturally apply for copies, I wish you would have your secretary send me a dozen, that I may distribute them.

All well here and send love. Your brother,

W. T. Sherman.

Soon after the receipt of this letter I was notified of the dangerous illness of my brother at his residence in the city of New York. I at once went to his bedside, and remained with him until his death, at two o'clock of Saturday, the 14th of February. In his later years, after his removal to New York, he entered into the social life of that city. He was in demand at weddings, dinners, parties, reunions of soldiers, and public meetings, where his genial nature and ready tact, his fund of information and happy facility of expression, made him a universal favorite. He was temperate in his eating and drinking, but fond of companionship, and always happy when he had his old friends and comrades about him. He enjoyed the society of ladies, and did not like to refuse their invitations to social gatherings. In conversation with men or women, old or young, he was always interesting. He was often warned that

at three score and ten he could not endure the excitement of such a life, and he repeatedly promised to limit his engagements. Early in February he exposed himself to the inclement weather of that season, and contracted a cold which led to pneumonia, and in a few days to death. He was perfectly conscious of his condition and probable fate, but had lost the power of speech and could only communicate his wishes by signs. His children were with him, and hundreds daily inquired about him at his door; among them were soldiers and widows whom he had aided.

During the last hours of General Sherman, his family, who had been bred in the Catholic faith, called in a Catholic priest to administer extreme unction according to the ritual of that church. The New York "Times," of the date of February 13, made a very uncharitable allusion to this and intimated that it was done surreptitiously, without my knowledge. This was not true but the statement deeply wounded the feelings of his children. I promptly sent to the "Times" the following letter, which was published and received with general satisfaction:

"A paragraph in your paper this morning gives a very erroneous view of an incident in General Sherman's sick chamber, which wounds the sensitive feelings of his children, now in deep distress, which, under the circumstances, I deem it proper to correct. Your reporter intimates that advantage was taken of my temporary absence to introduce a Catholic priest into General Sherman's chamber to administer the rite of extreme unction to the sick man, in the nature of a claim that he was a Catholic. It is well known that his children have been reared by their mother, a devoted Catholic, in her faith, and now cling to it. It is equally well known that General Sherman and myself, as well as all my mother's children, are, by inheritance, education, and connection, Christians, but not Catholics, and this has been openly avowed, on all proper occasions, by General Sherman; but he is too good a Christian, and too humane a man, to deny to his children the consolation of their religion. He was insensible at the time and apparently at the verge of death, but if he had been well and in the full exercise of his faculties, he would not have denied to them the consolation of the prayers and religious observances for their father of any class or denomination of Christian priests or preachers. Certainly, if I had been present, I would, at the request of the family, have assented to and reverently shared in an appeal to the Almighty for the life here and hereafter of my brother, whether called a prayer or extreme unction, and whether uttered by a priest

or a preacher, or any other good man who believed what he spoke and had an honest faith in his creed.

"I hear that your reporter uttered a threat to obtain information which I cannot believe you would for a moment tolerate. We all need charity for our frailties, but I can feel none for anyone who would wound those already in distress."

President Harrison announced General Sherman's death to both Houses of Congress in the following words:

"*To the Senate and House of Representatives:* The death of William Tecumseh Sherman, which took place to-day at his residence in the city of New York, at 1 o'clock and 50 minutes p. m., is an event that will bring sorrow to the heart of every patriotic citizen. No living American was so loved and venerated as he. To look upon his face, to hear his name, was to have one's love of country intensified. He served his country, not for fame, not out of a sense of professional duty, but for love of the flag and of the beneficent civil institutions of which it was the emblem. He was an ideal soldier, and shared to the fullest the *esprit de corps* of the army; but he cherished the civil institutions organized under the constitution, and was a soldier only that these might be perpetuated in undiminished usefulness and honor. He was in nothing an imitator.

"A profound student of military science and precedent, he drew from them principles and suggestions, and so adapted them to novel conditions that his campaigns will continue to be the profitable study of the military profession throughout the world. His genial nature made him comrade to every soldier of the great Union army. No presence was so welcome and inspiring at the camp-fire or commandery as his. His career was complete; his honors were full. He had received from the government the highest rank known to our military establishment, and from the people unstinted gratitude and love. No word of mine can add to his fame. His death has followed in startling quickness that of the Admiral of the Navy; and it is a sad and notable incident that, when the department under which he served shall have put on the usual emblems of mourning, four of the eight executive departments will be simultaneously draped in black, and one other has but to-day removed the crape from its walls.

BENJ. HARRISON."

EXECUTIVE MANSION, February 14, 1891.

The following resolutions were offered in the Senate and unanimously agreed to:

"*Resolved*, That the Senate receives with profound sorrow the announcement of the death of William T. Sherman, late general of the armies of the United States.

"*Resolved*, That the Senate renews its acknowledgments of the inestimable services he rendered his country in the day of its extreme trial,

laments the great loss the country has sustained, and deeply sympathizes with his family in their bereavement.

"*Resolved*, That the presiding officer is requested to appoint a committee of five Senators to attend the funeral of the late General Sherman.

"*Resolved*, That a copy of these resolutions be forwarded to the family of the deceased."

Eloquent and appropriate speeches were made by Senators Hawley, Manderson, Morgan and Pierce.

In the House of Representatives the message of the President was referred to the committee on military affairs, for appropriate action thereon and the following resolutions were reported by Mr. Cutcheon and adopted:

"*Resolved*, That the House of Representatives has heard with profound sorrow of the death, at his home in New York City, on the 14th instant, of William Tecumseh Sherman, the last of the generals of the armies of the United States.

"*Resolved*, That we mourn him as the greatest soldier remaining to the republic and the last of that illustrious trio of generals who commanded the armies of the United States—Grant, Sherman, and Sheridan—who shed imperishable glory upon American arms, and were the idolized leaders of the Union army.

"*Resolved*, That we hereby record the high appreciation in which the American people hold the character and services of General Sherman, as one of the greatest soldiers of his generation, as one of the grandest patriots that our country has produced, and as a noble man in the broadest and fullest meaning of the word.

"We mingle our grief with that of the nation, mourning the departure of her great son, and of the survivors of the battle-scarred veterans whom he led to victory and peace. We especially tender our sympathy and condolence to those who are bound to him by the ties of blood and strong personal affection.

"*Resolved*, That the speaker appoint a committee of nine Members of the House to attend the funeral of the late general as representatives of this body.

"*Resolved*, That a copy of these resolutions be forwarded by the clerk of the House to the family of General Sherman."

Eloquent tributes were paid to his memory by Messrs. Cutcheon, Grosvenor, Outhwaite, Henderson, Cogswell, Vandever, Wheeler and Williams.

General Sherman had expressed the desire that his body be buried by the side of his wife in a cemetery in St. Louis. In

February, 1890, on the occasion of his seventieth birthday, the members of Ransom Post, Grand Army of the Republic, of which he was the first commander, sent him many congratulatory letters and telegrams. In replying to these, among other things he wrote:

"I have again and again been urged to allow my name to be transferred to the roster of some one of the many reputable posts of the Grand Army of the Republic in New York, but my invariable answer has been 'no;' that Ransom Post has stood by me since its beginning and I will stand by it to my end, and then that, in its organized capacity, it will deposit my poor body in Calvary Cemetery alongside my faithful wife and idolized 'soldier boy.' My health continues good, so my comrades of Ransom Post must guard theirs, that they may be able to fulfill this sacred duty imposed by their first commander. God bless you all."

I vividly recall the impressive scene in the city of New York when his body was started on its long journey. The people of the city, in silence and sadness, filled the sidewalks from 71st to Courtland street, and watched the funeral train, and a countless multitude in every city, town and hamlet on the long road to St. Louis expressed their sorrow and sympathy. His mortal remains were received with profound respect by the people of that city, among whom he had lived for many years, and there he was buried by the side of his wife and the children who had gone before him.

In February, 1892, I was requested, by the New York Commandery of the Military Order of the Loyal Legion, to deliver an address commemorative of General Sherman. I did so, on the 6th of April of that year, but, as many of the incidents therein mentioned have been already stated, I only add a few paragraphs from its close:

"And here I might end, but there are certain traits and characteristics of General Sherman upon which I can and ought to speak with greater knowledge and confidence than of his military career. He was distinguished, first of all, from his early boyhood, for his love and veneration for, and obedience to, his mother. There never was a time—since his appointment as a cadet, to her death—that he did not insist upon sharing with her his modest pay, and gave to her most respectful homage and duty. It is hardly necessary in this presence to refer to his devotion to his wife, Ellen Ewing Sherman. They were born in neighboring households, reared from childhood in the same family, early attached and pledged to each other, married when he

reached the grade of captain, shared in affection and respect the joys and sorrows of life, and paid the last debt to nature within a few months of each other.

"The same affection and care were bestowed upon his children. Many of his comrades will recall the visit of his wife and his son Willie, a lad of thirteen, at his camp on the Big Black, after the surrender of Vicksburg. Poor Willie believed he was a sergeant in the 13th United States Infantry. He sickened and died at Memphis on his way home. No one who reads it but will remember the touching tribute of sorrow his father wrote, a sorrow that was never dimmed, but was often recalled while life lasted.

"General Sherman always paid the most respectful attention to women in every rank and condition of life—the widow and the orphan, the young and the old. While he was often stern and abrupt to men, he was always kind and gentle to women, and he received from them the homage they would pay to a brother. His friendship for Grant I have already alluded to, but it extended in a lesser degree to all his comrades, especially those of West Point. No good soldier in his command feared to approach him to demand justice, and everyone received it if in his power to grant it. He shared with them the hardships of the march and the camp, and he was content with the same ration given to them. Simple in his habits, easy of approach, considerate of their comfort, he was popular with his soldiers, even when exacting in his discipline. The name of 'Uncle Billy,' given to him by them, was the highest evidence of their affection.

"He was the most unselfish man I ever knew. He did not seek for high rank, and often expressed doubts of his fitness for high command. He became a warm admirer of Abraham Lincoln as the war progressed, and more than once expressed to him a desire for subordinate duty. He never asked for promotion, but accepted it when given. His letters to me are full of urgent requests for the promotion of officers who rendered distinguished services, but never for his own. When the bill for the retirement of officers at the age of sixty-three was pending, he was excepted from its operation. He telegraphed me, insisting that no exception should be made in his favor, that General Sheridan should have the promotion and rank of general, which he had fairly earned. This was granted, but Congress with great kindness continued to General Sherman the full pay of a general when he was placed on the retired list.

"In his business relations he was bound by a scrupulous sense of honor and duty. I never knew of him doing anything which the most exacting could say was dishonorable, a violation of duty or right. I could name many instances of this trait, which I will not, but one or two cases will suffice. When a banker in California, several of his old army friends, especially from the south, trusted him with their savings for investment. He invested their money in good faith in what were considered the very best securities in California, but when Page, Bacon & Co., and nearly every banker in San Francisco, failed in 1855, all securities were dishonored, and

many of them became worthless. General Sherman, though not responsible in law or equity for a loss that common prudence could not foresee, yet felt that he was 'in honor' bound to secure from loss those who had confided in him, and used for that purpose all, or nearly all, of his own savings.

"So, in the settlements of his accounts in Louisiana, when he had the entire control of expenditures, he took the utmost care to see that every dollar was accounted for. He resigned on the 18th of January, and waited until the 23rd of February for that purpose. The same exact accountability was practiced by him in all accounts with the United States. In my personal business relations with him, I found him to be exact and particular to the last degree, insisting always upon paying fully every debt, and his share of every expense. I doubt if any man living can truly say that General Sherman owes him a dollar, while thousands know he was generous in giving in proportion to his means. He had an extreme horror of debt and taxes. He looked upon the heavy taxes now in vogue as in the nature of confiscation, and in some cases sold his land, rapidly rising in value, because the taxes assessed seemed to him unreasonable.

"While the war lasted, General Sherman was a soldier intent upon putting down what he conceived to be a causeless rebellion. He said that war was barbarism that could not be refined, and the speediest way to end it was to prosecute it with vigor to complete success. When this was done, and the Union was saved, he was for the most liberal terms of conciliation and kindness to the southern people. All enmities were forgotten; his old friendships were revived. Never since the close of the war have I heard him utter words of bitterness against the enemies he fought, nor of the men in the north who had reviled him.

"To him it was a territorial war; one that could not have been avoided. Its seeds had been planted in the history of the colonies, in the constitution itself, and in the irrepressible conflict between free and slave institutions. It was a war by which the south gained, by defeat, enormous benefits, and the north, by success, secured the strength and development of the republic. No patriotic man of either section would willingly restore the old conditions. Its benefits are not confined to the United States, but extend to all the countries of America. Its good influence will be felt by all the nations of the world, by opening to them the hope of free institutions. It is one of the great epochs in the march of time, which, as the years go by, will be, by succeeding generations of freemen, classed in importance with the discovery of America and our Revolutionary War. It was the good fortune of General Sherman to have been a chief actor in this great drama, and to have lived long enough after its close to have realized and enjoyed the high estimate of his services by his comrades, by his countrymen, and by mankind. To me, his brother, it is a higher pride to know and to say that in all the walks of private life—as a son, a brother, a husband, a father, a soldier, a comrade, or a friend—he was an honorable gentleman, without fear and without reproach."

CHAPTER LIX.

The Campaign of 1890–91 in Ohio.

Public Discussion of My Probable Reëlection to the Senate—My Visit to the Ohio Legislature in April, 1891—Reception at the Lincoln League Club—Address to the Members—Appointed by the Republicans as a Delegate to the State Convention at Columbus—Why My Prepared Speech Was Not Delivered—Attack on Me by the Cincinnati "Enquirer"—Text of the Address Printed in the "State Journal"—Beginning of a Canvass with Governor Foraker as a Competitor for the Senatorship—Attitude of George Cox, a Cincinnati Politician, Towards Me—Attempt to Form a "Farmers' Alliance" or People's Party in Ohio—"Seven Financial Conspiracies"—Mrs. Emery's Pamphlet and My Reply to It.

DURING the winter of 1890–91 the question of my reëlection to the Senate was the subject of newspaper discussion not only in Ohio, but in other states. As a rule the leading newspapers in the eastern states strongly favored my return to the Senate, and much the larger number of Republican papers in Ohio expressed the same desire. In the west, wherever the free coinage of silver was favored, a strong opposition to me was developed. I had not expressed any wish or intention to be a candidate and turned aside any attempt to commit me on the subject. I could quote by the score articles in the public prints of both political parties highly complimentary to me, but most of these turned upon free coinage of silver, which I did not regard as a political issue.

After the adjournment of Congress on the 4th of March the Cincinnati "Enquirer" formally announced, as "upon the assurance of the Senator himself," that I would not again be a candidate for reëlection. The next day that paper repeated that a well-known Sherman man, whose name was not given, said: "Your article is correct. Mr. Sherman is not, nor will he be again, a candidate for the Senate." Both declarations were without foundation, and I supposed the intention of the

"Enquirer" was to force a contest among Republicans for the nomination. I paid no attention to these publications, but they were the basis of comment in the newspapers in Ohio. The discussion of this question extended to other states, and indicated the desire of a large majority of the papers, east of the Mississippi River, that I be reëlected. I insert an extract from a long article in the Chicago "Inter-Ocean" of the 22nd of March, 1891:

"The most important event booked for 1892 is that of a successor to John Sherman in Ohio, and already the matter is being discussed, as well it might be, and the interest is by no means confined to that state. John Sherman belongs to the whole country, and it is no reflection upon the usefulness of any other public man to say that his retirement to private life would be the greatest strictly personal loss the nation could now sustain."

I do not care to quote the many kindly opinions expressed of me at that period.

I returned to Ohio early in April on a brief visit to Mansfield, and to pay my respects to the general assembly, then in session at Columbus. At Mansfield I was met by a correspondent of the "Enquirer" and answered a multitude of questions. Among others I was asked if I would respond to the call of the members of the Ohio legislature to meet them at Columbus. I answered: "Yes, I will go to Columbus on Tuesday next, and from there to Washington, to return here with my family in May for the summer." He said: "Is there any significance in this Columbus visit?" I answered: "None whatever so far as I know." In leaving he said: "Tell me, did your trip here at this time have any reference to your fences, their building or repair?" "No," I said, "I came here to build a barn. I am just about to commence it." He bade me good-bye without saying a word about my declining or being elected as Senator.

I went to Columbus on the 7th, arriving late in the evening, but not too late to meet many gentlemen and to give to a correspondent of the "Commercial Gazette" an interview. On the next day, in pursuance of a custom that has existed in Ohio for many years, I, as a Senator elected by the legislature, was expected to make a formal call upon that body when in session, and during my visit to eschew politics. Accompanied

by a committee of the senate I called upon Governor Campbell. We were then and had always been personal friends. He accompanied me to the senate, which took a recess, when brief and complimentary addresses were made, and I thanked the senate for the reception. After handshaking and pleasant talk I was escorted to the house of representatives, where the same simple ceremony was observed. I visited the state board of equalization, then engaged in the important duty of equalizing the taxes imposed in the several counties and cities of the state. At their request I expressed my opinion of the system of taxation in existence in Ohio, which I regarded as exceedingly defective by reason of restrictive clauses in the constitution of the state adopted in 1851.

In the evening of this day I was invited to a reception at the Lincoln League club. I insert the report published the next morning in the "State Journal:"

"The reception to Senator John Sherman at the Lincoln League club rooms last night was a rousing, enthusiastic affair. The rooms were crowded with members of the league and their friends, while most of the state officials, members of the general assembly and the state board of equalization were present. Several Democrats were conspicuous in the crowd, and all parties, old men and young, vied with each other in doing honor to Ohio's great statesman. During the evening Governor Campbell, accompanied by his daughter, came in to pay his respects to the distinguished guest and was cordially received. He was called upon for a speech and responded briefly in his usual happy vein. He expected to meet with the Republicans this fall again and would assist at some one's obsequies, but just whose it would be he did not know.

"During the short visit the governor's daughter was the recipient of marked attention, and divided honors with her father in handshaking.

"The feature of the evening was the welcome accorded Senator Sherman and his speech. Everybody was eager to shake hands with him, and for over an hour he was so engaged.

"He was introduced by President Huling in his usual happy manner, and responded feelingly in a short speech, which was received with enthusiasm. Senator Sherman said:

'GENTLEMEN:—I appear before you to-night, not as a partisan, not as a Republican, although I do not deny my fraternity, nor as a Democrat, but simply as a native son of Ohio. My friend has made a very eloquent speech to you, but I have come to greet you all, to thank you for the support that has been extended to me by the people of Ohio, not only by those

of my political faith, but also those who have differed from me. I have often been brought in contact with Democrats whom I cherish as my friends. You all know your honored and venerable statesman, Allen G. Thurman. We differed on political issues, but we never quarreled with each other. When any question affecting the interests or prosperity of Ohio was concerned we were like two brothers aiding each other. When we came to discuss political questions, upon which parties divided, we put on our armor. I knew that if I made the slightest error, he would pick me up and handle me as roughly as anyone else, and he expected the same of me. And so with Mr. Pendleton, who is now dead. I regarded him as one of the most accomplished men I ever met; always kind, always genial, possessing all the attributes of a gentleman. When discussing any question affecting the interest or honor of Ohio there was no difference of opinion between us. When I met him a short time before his death, at Homburg, I felt that I would not see him again. In politics there ought to be kindness and fairness. Men of adverse opinions may be true friends while they honestly differ upon great public questions.

'Now, gentlemen, I think I have said all I ought to say. This is a social meeting and, as I understand it, you came here to greet me as one of your public servants. I wish to express my obligations to the people of Ohio for their generosity and for their long-continued support. I am glad indeed to greet you and give you a good Buckeye greeting. All I can do is to thank you.'"

On the 6th of June I was appointed by the Republicans of Richland county as a delegate to the state convention. In a brief speech to the county convention, I said:

"The next state convention will be a very important one in many respects. In one or two matters the business has already been done. It has been settled that Major McKinley will be nominated Governor of Ohio, and that he will be elected. Of the balance of the ticket I say nothing. There are so many good men for candidates that we can make no mistake in any of them."

Resolutions were adopted indorsing the platforms of the last state and national conventions, declaring a belief in the doctrine of protection to labor and American industries, and indorsing the wisdom of the Republican party in continuing the advocacy of the protective tariff. I was remembered by resolutions thanking me for services rendered to the country, and Senators W. S. Kerr and W. Hildebrand were complimented for their efficiency in the state senate.

A resolution indorsing William McKinley for unanimous nomination for governor passed amidst enthusiastic applause.

Upon attending the state convention at Columbus, on the

17th of June, I was advised that objection would be made to my designation as chairman, and that Mr. Bushnell would be pressed for that honor. I promptly said I did not wish the position, and urged the selection of Bushnell, who was fairly entitled to it for his active agency as chairman of the state committee. The central committee had invited me to address the convention, and I was prepared to do so, but, feeling that after McKinley was unanimously nominated for governor my speech would delay the convention in completing the ticket, I declined to speak, but the convention insisted upon it, and I did respond very briefly, saying I would hand my speech to the "State Journal." Out of this incident the "Enquirer" made the story that I had been "snubbed" by the convention, through the influence of Governor Foraker and other gentlemen named by it. The correct account of my action was stated in the "State Journal" as follows:

"After Major McKinley had finished speaking there were enthusiastic calls for Senator Sherman. The demand became so vigorous that General Bushnell was unable to secure quiet. Senator Sherman marched down the middle aisle from his seat in his delegation just under the balcony. Perhaps no one received such generous recognition as did the senior Senator from Ohio. Although Senator Sherman had prepared a speech he did not attempt to deliver it. He said he had intended to insist on his right as a delegate not to hear any more oratory, but, to proceed with the business of the convention. He gave the 'State Journal' an appreciated compliment by advising all the delegates who desired to know what his speech contained to buy this morning's 'State Journal.' His remarks were felicitous and he was frequently interrupted by applause."

The prepared speech as published in the "Journal" gave satisfaction, not only to the Republicans in Ohio, but was printed in many of the leading journals of the United States. My refusal to deliver it in the sweltering heat of the convention enabled that body to rapidly clear the business it met to transact, and the unfounded imputations about leading Republicans fell harmless. I insert this speech:

"My Fellow Republicans:—When I was invited with others to address this convention, I felt that the best speech that could be made was the convention itself. You are here to speak the voice of Ohio in the choice of the chief officers of the state and to announce the creed of a great party.

Such bodies as this are the convenient agencies of a free people to mark out the line of march and to select their leaders.

"When I look upon this great body of representative Republicans, animated by a common purpose and inspired by a common faith in the party to which we belong, my mind instinctively reverts to the first Republican convention of Ohio, held in this city thirty-six years ago. Then, under the impulse of a great wrong—the repeal of the restriction of slavery north and west of Missouri—that convention, remarkable in numbers and ability, composed of representatives of all parties then in existence, pledged themselves, that come what may, they would resist the extension of slavery over every foot of territory where it was not then established by law. There was no doubt or hesitation or timidity in their resolution, though they knew they were entering into a contest with an enemy that had never been defeated, that had dominated all parties, and would resist to the uttermost, even to war, any attempt to curb the political power of the most infamous institution that ever existed among men. This was the beginning of the Republican party.

"It was also the beginning of the most remarkable events of American history. Since that day the Republican party has abolished slavery, not only in the United States, but, by its reflected influence, in nearly all the countries of the world. It has conducted a war of gigantic proportions with marked success, demonstrating in the strongest way the ability of a free people to maintain and preserve its government against all enemies, at home and abroad. It has established the true theory of national authority over every citizen of the republic, without regard to state lines, and has forever put at rest the pretense of the right of secession by a state or any portion of our people. It has placed our country, in its relations to foreign nations, in so commanding a position that none will seek a controversy with us, while empires and kingdoms profit by our example. It has, from the necessities of the time and the warnings and follies of the past, marked out a financial system which secures us a currency safe beyond all possibility of loss, a coinage of silver and gold received at par in every commercial mart of the world, and a public credit equal, if not superior, to that of the oldest, richest and most powerful nations. It has, by a policy of fostering and protecting our home industries, so diversified our productions that every article of necessity, luxury, art or refinement can be made by American labor, and the food and fruits of a temperate climate, and cotton, wool and all the textile fibres, can be raised on the American farm.

"Under Republican policy, sometimes embarrassed but never changed, our country has become *free*, without a slave; strong, without standing armies or great navies; rich, with wealth better distributed, labor better paid, and equality of rights better secured, than in any country in the world. All the opportunities of life, without distinction of birth or rank or wealth, are open to all alike. Education is free, without money or price. Railroads, telegraphs and all the wonderful devices of modern civilization are

at our command. Many of these blessings are the natural results of our free institutions, the work of our fathers, but they have been in every case promoted and fostered by the policy of the Republican party. We, therefore, can honestly claim that our party has been a faithful servant of the people and is fairly entitled to their confidence and support.

"But we do not rest our claims upon this fact alone. We do not need to muster the great names that have marched at the head of our columns to their final rest to invoke your approval. We invite the strictest scrutiny into the conduct of the present Republican administration of Benjamin Harrison. He was not as well known to the people at large, at the time of his election, as many former Presidents, for the politics of Indiana do not give a Republican of that state a fair chance to demonstrate his capacity and ability, but my intimate acquaintance and companionship with him, sitting side by side for six years in the Senate Chamber, impressed me with the high intellectual and moral traits which he has exhibited in his great office.

"The issues now involved are not so great and pressing as in the days of Abraham Lincoln and Ulysses Grant, but they do directly affect the life, comfort and happiness of every citizen of the United States. The recent Republican Congress, in connection with President Harrison, has dealt with all leading domestic questions of the time and with the most important questions with foreign nations. Everyone of these has either been settled or is in the way of settlement.

"The administration of Mr. Cleveland settled nothing but the sublime egotism of Mr. Cleveland, his opposition to the protection policy, his want of sympathy for the Union soldiers and his narrow notions of finance and the public credit. He devised nothing and accomplished nothing. A Democratic House passed the Mills tariff bill, but it was rejected by the Senate and by the people in the election of 1888. It was neither a protective tariff nor a revenue tariff, but a mongrel affair made up of shreds and patches furnished here and there by Democratic Members to suit their local constituencies. This abortive measure was the only one of any mark or importance proposed by Mr. Cleveland, or passed by a Democratic House of Representatives.

"In marked contrast with this is the Republican administration of Harrison and the recent Republican Congress. Mr. Harrison, with the slow, thoughtful, conservative tendencies of his mind, gave careful consideration to every proposition that came before him, and announced his opinion in his messages to Congress. The House of Representatives, having cleared the way by the decision and courage of Speaker Tom Reed that the majority should rule, proceeded to transact the public business, and the Senate, in hearty concurrence and coöperation, acted upon every important measure pending before Congress. The first in importance, though not in point of time, was an entire revision of our revenue laws. This bill was subjected to the most careful scrutiny in both Houses, and was passed as a Republican

measure, and approved by the President. It is the law of the land, though some of its provisions have not yet taken effect. It is, in my judgment, a wise law, and will bear the most careful scrutiny. It may be that in its details, in the rates of duty, the precise line between enough to protect and more than is necessary, is not observed, but this error in detail does not weaken the essential merits of this great measure. I do not intend to discuss it in the presence of a gentleman now before me, who had charge of the bill in the House, who is, in a great measure, the author of it, and whose effective advocacy carried it over the shoals and rocks in the House of Representatives. You will greatly and justly honor him this day, but not more than he deserves, and you will have a chance to hear from him as to its merits. It is sufficient now for me to state, very briefly, why I heartily supported it in the Senate.

"In the first place it is a clear-cut, effective measure that will make explicit the rates of duties proposed; will prevent, as far as the law can, any evasion or undervaluation. It is in every line and word a protective tariff. It favors, to the extent of the duty, the domestic manufacturer, and will induce the production here of every article suited to our condition and climate. It is a fair law, for it extends its benefits not only to the artisan, but, to the farmer and producer in every field of employment. I know, by my long experience in passing upon tariff bills, that the McKinley bill more carefully and beneficially protects the farmer in his productions than any previous measures of the kind. And its inevitable effect in encouraging manufactures will give to the farmer the best possible market for his crops. The bill has received, and will bear, discussion, and will improve on acquaintance. The new features of the bill relating to sugar and tin plate will soon demonstrate the most satisfactory results. Sugar will be greatly lowered in cost to the consumer, while the bounty given to the domestic producer will soon establish the cultivation of beet and sorghum sugar in the United States, as the same policy has done in Germany and France. The increased duty soon to be put upon tin plate will develop, and has already developed, tin mines in several states and territories, so that we may confidently hope that in a short period we will be sweetened by untaxed home sugar, and protected by untaxed tin plate. The arts of the demagogue, which were at the last election played upon the credulous to deceive them as to the effects of the McKinley bill, will return to plague the inventors, and this Republican measure, with its kindred measures, reciprocity and fair play to American ships, will be among the boasted triumphs of our party, in which our Democratic friends will, as usual, heartily acquiesce.

"There is another question in which the people are vitally interested, and that is the currency question. They want good money and plenty of it. They want all their money of equal value, so that a dollar will be the same whether it is made of gold or silver or paper. We have had this kind of money since the resumption of specie payments in January, 1879. Nobody wants to go back to the old condition of things when it was gold to the

bondholders and paper to the pensioners. When the outstanding government bonds were fifteen hundred millions, and banks could issue paper money upon the deposit of bonds, the volume of currency could expand upon the increase of business. But that condition is passing away. The bonds are being paid, and the time is coming, and has come, when the amount of bonds is so reduced and their value is so increased that banks cannot afford to buy bonds upon which to issue circulating notes.

"We must contemplate the time when the national banks will not issue their notes, but become banks of discount and deposit. The banks are evidently acting upon this theory, for they have voluntarily largely reduced their circulation. How shall this currency be replaced? Certainly not by the notes of state banks. No notes should circulate as money except such as have the sanction, authority and guarantee of the United States. The best form of these is certificates based upon gold and silver of value equal to the notes outstanding. Nor should any distinction be made between gold and silver. Both should be received at their market value in the markets of the world. Their relative value varies from day to day and there is no power strong enough to establish a fixed ratio of value except the concurrence of the chief commercial nations of the world. We coin both metals at a fixed ratio, but we maintain them at par with each other by limiting the amount of the cheaper metal to the sum needed for subsidiary coin and receiving and redeeming it.

"The demand for the free coinage of silver without limit, is a demand that the people of the United States shall pay for silver bullion more than its market price; a demand that is not and ought not to be made by the producer of any commodity. There is no justice or equity in it. If granted by the United States alone it will demonetize gold and derange all the business transactions of our people. What we ought to do, and what we now do under the silver law of the last Congress, a conservative Republican measure, is to buy the entire product of silver mined in the United States at its market value, and, upon the security of that silver deposited in the treasury, issue treasury notes to the full amount of the cost of the bullion. In this way we add annually to our national currency circulating notes of undoubted value, equal to gold to an amount equal to or greater than the increase of our population and the increasing business for our growing country.

"There is another measure to which the Republican party is bound by every obligation of honor and duty, and that is to grant to the Union soldiers of the late war, their widows and orphans, liberal pensions for their sacrifices and services in the preservation of the Union. In the language of Lincoln, 'to bind up the nation's wounds, to care for him who shall have borne the battle and for his widow and his orphan.' Impressed with this obligation, the Republican party has gone as far as prudence will allow. We appropriate $135,000,000 a year for this purpose. Though the sum is large it is not the measure of our obligation. The rising generation who will bear this burden must remember the immeasurable blessings they enjoy

by the sacrifices and services of Union soldiers in the preservation of the Union and in a strong republican government and free institutions.

"There is another obligation which we, as Republicans, cannot ignore without being false to our party pledges, and that is to use every legal means to secure all citizens their constitutional rights and privileges as such, without respect to race and color. Fortunately, time is promoting this great duty, but it must never be forgotten or neglected until every lawful voter shall freely exercise his right to vote without discrimination or favor.

"This is not the time for a fuller discussion of the many political questions which will enter into the canvass. The great tribunal of the people must pass upon them in their assemblages. I hope we will go back to the old-fashioned mass meetings in the beautiful groves of our state, where old and young, women as well as men, can gather together with their baskets well-filled, their minds open to conviction, their hearts full of patriotism, to listen and judge for themselves the path of duty, the lines of wisdom, the proper choice between the parties claiming their suffrages. Fortunately, there is now no bitterness between parties, nothing that can justify abuse, or reproach, for we must all concede the honesty and desire of members of all parties to do what is best for the common good. We must not meet as farmers, mechanics, or partisans, but as fellow-citizens and patriots, alike interested in all measures of national or state legislation. If any public measure bears unjustly upon any class of our population we are all interested in providing a remedy. The farmers of our country sometimes complain that they do not share in the common prosperity, that the prices they receive for their products are too low, that they pay more than their share of the taxes.

"So far as these complaints may be met by wise legislation it should be done by Congress and our state legislature. The Republican party is wise enough and liberal enough to meet the just demands of all classes, and, especially, of the farmers, the great conservative and controlling portion of our population, and they are patriotic enough not to demand measures not sanctioned by reason and experience, and not consistent with the common good or the credit and honor of our country. The Republican party has shown its capacity to deal wisely with many more difficult questions of the past, and may be relied upon to solve wisely the questions of a peaceful and prosperous future. Strong now at home our country may extend its moral influence to neighboring republics, encourage trade and intercourse with them, and invite a broader union founded upon common interests, sympathies, and free institutions.

"The State of Ohio is an important factor in this great union of states and people. Ohio is a Republican state, one that has taken a conspicuous part in the great drama of the past. In an evil hour, and under wild delusions, Ohio elected the recent Democratic legislature. With this warning behind us let us not be backward or laggard in the civic contest in November; but, with a ticket worthy of our choice, let us appeal to our fellow-citizens to place again our honored state at the head of the Republican column."

While the statement in the "Enquirer" and in other Democratic papers was not, in my opinion, true, yet the charge of a purpose on the part of members of the convention to humiliate or "snub" me, by inviting me to address the convention and then denying me the opportunity, led to a very general popular discussion of the selection of United States Senator by the legislature then to be elected. The choice seemed, by general acquiescence, to rest between Governor Foraker and myself in case the Republicans should have a majority of the legislature. There could be no difference as to the weight of public opinion outside of Ohio, as represented by the leading journals of both political parties. Even such independent papers as the Chicago "Evening Post," the "Boston Herald," the Springfield (Massachusetts) "Republican" and the New York "Evening Post," and I can say the great body of the Republican journals in the State of Ohio, warmly urged my reëlection. With this general feeling prevailing I considered myself a candidate, without any announcement, and entered into the canvass as such. I also regarded Governor Foraker as my competitor fairly entitled to aspire to the position of Senator, though he did not, at first, publicly announce his candidacy. Young, active and able, with a brilliant military record vouched for by General Sherman, twice elected Governor of Ohio, he was justified in entering the contest. In the latter part of June he was reported to have said that I would be reëlected, but this was regarded in a Pickwickian sense. Candidates for the legislature were chosen in many counties according to senatorial preferences, but, so far as I recall, there was no contest over such nominations bitter enough to cause the defeat of any nominee.

No serious difficulty arose until the latter part of July, when I was advised that George B. Cox, a well-known politician in Cincinnati, who, it was understood, controlled the Republican primaries in that city, would not allow any man to be nominated for either branch of the legislature who did not specifically agree to vote for whoever he (Cox) should designate as United States Senator. This I regarded, if the statement were true, as a corrupt and dangerous power to be conferred upon

any man, which ought not to be submitted to. I went to Cincinnati, partly to confer with Foraker, and chiefly in pursuance of a habit of visiting that city at least once a year. I met Foraker, and he promptly disclaimed any knowledge of such a requirement in legislative nominations. Cox also called on me, and said the delegation would probably be divided between Foraker and myself. I could say nothing more to him. Foraker gave a written answer to an inquiry of the "Commercial Gazette," in which he said he was a candidate, and no one knew it better than I. This was quite true and proper. In a published interview I said :

"Governor Foraker and I have always been friends, and I am always glad to see him. He has a right to the position he has taken in regard to the senatorship, and it is a proper one. One man has just as much right to try it as another."

"Are McKinley and Butterworth candidates for Senator?"

"I do not know, but they have a right to be."

The only question that remained was whether Cox had a delegation pledged to obey his wish, and this was to be ascertained in the future.

During the spring and summer of 1891 there was an attempt to organize a new party in Ohio, under the name of the Farmers' Alliance, or People's party, based mainly upon what were alleged to be "seven financial conspiracies." These so-called "conspiracies" were the great measures by which the union cause was maintained during and since the war. The Alliance was greatly encouraged by its success in defeating Senator Ingalls and replacing him by Senator Peffer, and proposed that I should follow Ingalls. Pamphlets were freely distributed throughout the state, the chief of which was one written by a Mrs. Emery, containing ninety-six pages. I was personally arraigned in this pamphlet as the "head devil" of these conspiracies, and the chief specifications of my crimes were the laws requiring the duties on imported goods to be paid in coin, the payment in coin of the principal and interest of the public debt, the act to strengthen the public credit, the national banking system, and, in her view, the worst of all, the resumption of specie payments.

At first I paid no attention to this pamphlet, but assumed that intelligent readers could and would answer it. In October I received a letter calling my attention to it and asking me to answer it. This I did by the following letter which I was advised had a beneficial effect in the western states, where the pamphlet was being mainly circulated:

MANSFIELD, O., October 12, 1891.

MR. CHARLES F. STOKEY, Canton, O.

MY DEAR SIR:—Yours of the 8th, accompanied by Mrs. S. E. V. Emery's pamphlet called 'Seven Financial Conspiracies Which Have Enslaved the American People,' is received.

Some time since, this wild and visionary book was sent to me, and I read it with amusement and astonishment that anyone could approve of it or be deceived by its falsehoods.

The 'seven financial conspiracies' are the seven great pillars of our financial credit, the seven great financial measures by which the government was saved from the perils of war and by which the United States has become the most flourishing and prosperous nation in the world.

The first chapter attributes the Civil War to an infamous plot of capitalists to absorb the wealth of the country at the expense of the people, when all the world knows that the Civil War was organized by slaveholders to destroy the national government and to set up a slaveholding confederacy in the south upon its ruins. The 'Shylock,' described by Mrs. Emery, is a phantom of her imagination. The 'Shylocks of the war' were the men who furnished the means to carry on the government, and included in their number the most patriotic citizens of the northern states, who, uniting their means with the services and sacrifices of our soldiers, put down the rebellion, abolished slavery, and preserved and strengthened our government.

The first of her 'conspiracies' she calls the exception clause in the act of February 25, 1862, by which the duties on imported goods were required to be paid in coin in order to provide the means to pay the interest on our bonds in coin. This clause had not only the cordial support of Secretary Chase, but of President Lincoln, and proved to be the most important financial aid of the government devised during the war. Goods being imported upon coin values, it was but right that the duty to the government should be paid in the same coin. Otherwise the duties would have been constantly diminishing with the lessening purchasing power of our greenbacks. If the interest of our debt had not been paid in coin, we could have borrowed no money abroad, and the rate of interest, instead of diminishing as it did, would have been largely increased, and the volume of our paper money would necessarily have had to be increased and its value would have gone down lower and lower, and probably ended, as Confederate money did, in

being as worthless as rags. This exception clause saved our public credit by making a market for our bonds, and the coin was paid by foreigners for the privilege of entering our markets.

As for the national banking system—the second of her 'conspiracies'—it is now conceded to have produced the best form of paper money issued by banks that has ever been devised. It was organized to take the place of the state banks, which, at the beginning of the war, had outstanding over $200,000,000 of notes, of value varying from state to state, and most of them at a discount of from five to twenty-five per cent. It was absolutely necessary to get rid of these state bank notes and to substitute for them bank notes secured beyond doubt by the deposit of United States bonds, a system so perfect that from the beginning until now no one has lost a dollar on the circulating notes of national banks. The system may have to give way because we are paying off our bonds, but no sensible man will ever propose in this country to go back to the old system of state banks, and if some security to take the place of United States bonds can be devised for national bank notes, the system will be and ought to be perpetuated.

The third 'conspiracy' referred to is contraction of the currency. It has been demonstrated by official documents that from the beginning of the war to this time the volume of our currency has been increasing, year by year, more rapidly than our population. In 1860 the total amount of all the money in circulation was $435,000,000, when our population was 31,000,000, and half of this was money of variable and changing value. Now we have in circulation $1,500,000,000, with a population of 64,000,000, and every dollar of this money is as good as gold, all kinds equal to each other, passing from hand to hand and paid out as good money, not only in the United States but among all the commercial countries of the world. Our money has increased nearly fourfold, while our population has only doubled.

The statements made by Mrs. Emery about the contraction of our currency are not only misleading but they are absolutely false. She states that in 1868 $473,000,000 of our money was destroyed, and in 1869 $500,000,000 of our money passed into a cremation furnace, and in 1870 $67,000,000 was destroyed. Now these statements are absolutely false. What she calls money in these paragraphs was the most burdensome form of interest-bearing securities, treasury notes bearing seven and three-tenths per cent. interest, and compound interest notes. These were the chief and most burdensome items of the public debt. They were paid off in the years named and were never at any time for more than a single day money in circulation. When issued they were received as money, but as interest accrued they became investments and were not at all in circulation.

These statements of Mrs. Emery are palpable falsehoods, which if stated by a man would justify a stronger word. It is true that in 1866 Mr. McCulloch, Secretary of the Treasury under the administration of Andrew Johnson, wished to bring about resumption by contraction, and a bill was passed providing for a gradual reduction of the greenbacks to $300,000,000, but

this was very soon after repealed and the greenbacks retained in circulation. I was not in favor of the contraction of the greenbacks, and the very speech that she quotes, in which I described the effects of contraction and the difficulty of resuming, was made against the bill providing for the reduction of the greenbacks.

The next 'conspiracy' to which she refers was the first act of General Grant's administration 'to strengthen the public credit.' A controversy had existed whether the 5-20 bonds could be paid in greenbacks. I maintained and still believe that by a fair construction of the loan laws we had a right to pay the principal of the bonds as they matured in greenbacks of the kind and character in existence when the bonds were issued, but I insisted that it was the duty of the government to define a time when the greenbacks should be either redeemed or maintained at par in coin, that this was a plain obligation of honor and duty which rested upon the United States, and that it was not honorable or right to avail ourselves of our own negligence in restoring these notes to the specie standard in order to pay the bonds in the depreciated money. This idea is embodied in the credit-strengthening act.

The fifth 'conspiracy' of what she calls 'this infernal scheme' was the refunding of the national debt. This operation of refunding is regarded by all intelligent statesmen as of the highest value, and was conducted with remarkable success. At the date of the passage of the refunding act, July 14, 1870, we had outstanding bonds bearing five and six per cent. interest for about $1,500,000,000. By the wise providence of Congress, we had reserved the right of redeeming a portion of this debt within five years, and a portion of it within ten years, so that the debt was, in the main, then redeemable at our pleasure. It was not possible to pay it in coin and it was not honorable to pay it in greenbacks, especially as that could only have been done by issuing new greenbacks far beyond the volume existing during the war, and which would at once depreciate in value and destroy the public credit and dishonor the country. We, therefore, authorized the exchange, par for par, of bonds bearing four, four and a half, and five per cent. interest for the bonds bearing a higher rate of interest. The only contest in Congress upon the subject was whether the new bonds should run five, ten and fifteen years, or ten, fifteen and thirty years. I advocated the shorter period, but the House of Representatives, believing that the new bonds would not sell at par unless running for a longer period, insisted that the four per cent. bonds should run for thirty years. Greenbackers, like Mrs. Emery, who now complain that the bonds run so long and cannot be paid until due, are the same people who insisted upon making the bonds run thirty years. It required some ten years to complete these refunding operations—of which the larger part was accomplished when I was Secretary of the Treasury—and they resulted in a saving of one-third of the interest on the debt. So far from it being in the interest of the bondholders, it was to their detriment and only in the interest of the people of the United States.

The next 'conspiracy' complained of is the alleged demonetization of silver. By the act revising the coinage in 1873, the silver dollar, which had been suspended by Jefferson in 1805 and practically demonetized in 1835 and suspended by minor coins in 1853, and which was issued only in later years as a convenient form in which to export silver bullion, and the whole amount of which, from the beginning of the government to the passage of the act referred to, was only eight million dollars, was, by the unanimous vote of both Houses of Congress, without objection from anyone, dropped from our coinage, and in its place, upon the petition of the legislature of California, was substituted the trade dollar containing a few more grains of silver. A few years afterwards, silver having fallen rapidly in market prices, Congress restored the coinage of the silver dollar, limiting the amount to not exceeding four million nor less than two million a month, and under this law in a period of twelve years we issued over 400,000,000 silver dollars, fifty times the amount that had been coined prior to 1873. And now under existing law we are purchasing 54,000,000 ounces of silver a year; so that what she calls the demonetization of silver has resulted in its use in our country to an extent more than fiftyfold greater than before its demonetization.

In spite of this, in consequence of the increased supply of silver and the cheapening processes of its production, it is going down in the market and is only maintained at par with gold by the fiat of the different governments coining it. Now the deluded people belonging to the class of Mrs. Emery are seeking to cheapen the purchasing power of the dollar, in the hands of the farmer and laborer, by the free coinage of silver and the demonetization of gold. Silver and gold should be used and maintained as current money, but only on a par with each other, and this can only be done by treating the cheaper metal as subsidiary and coining it only as demanded for the use of the people.

The seventh 'financial conspiracy' is the pride and boast of the government of the United States, the restoration of our notes, long after the war was over, to the standard of coin; in other words, the resumption of specie payments. This measure, which met the violent opposition of such wild theorists as Mrs. Emery, has demonstrated its success, in the judgment of all intelligent people, not only in the United States, but in all the countries of the world. There is no standard for paper money, except coin. The United States postponed too long the restoration of its notes to coin standards. Since it had the courage to do this under the resumption act, on the 1st day of January, 1879, we have had in the United States a standard of gold with coins of silver, nickel and copper, maintained at that standard by the fiat of the government, and paper money in various forms, as United States notes, national bank notes, gold certificates, silver certificates, and treasury notes, all at par with gold.

To call this a 'conspiracy' or an 'infamous plot' is a misnomer of terms which will not deceive any intelligent man, but it is rather the glory and pride of the people of the United States that it not only has been able, in the past

thirty years, to put down a great rebellion and to abolish slavery, but to advance the credit of the United States to the highest rank among nations, to largely increase the currency of the country, to add enormously to our productive interests, and to develop our resources of the mine, the field, and the workshop, to a degree unexampled in the history of nations. Intelligent people, who reason and observe, will not be deceived or misled by the wild fanaticism and the gloomy prophecies of Mrs. Emery. Temporary conditions growing out of the failure of any portion of our crops will not discourage them; the exaggerations of the morbid fancy will not mislead them.

A candid examination of the great financial measures of the last thirty years will lead people to name what Mrs. Emery calls 'the seven financial conspiracies' as the seven great, wise, and statesmanlike steps which have led the people of the United States, through perils and dangers rarely encountered by any nation, from a feeble confederacy with four millions of slaves, and discordant theories of constitutional power, to a great, free republic, made stronger by the dangers it has passed, a model and guide for the nations of the world.

As for Mrs. Emery's criticisms upon me personally, I do not even deem them worthy of answer. She repeats the old story that I was interested in the First National Bank of New York and gave it the free use of the people's money. This is a plain lie, contradicted and disproved over and over again. I never had the slightest interest in the bank, direct or indirect, and, as the public records will show, gave it no favors, but treated it like all other depositaries of public money and held it to the most rigid accountability; nor have I in any case derived the slightest pecuniary benefit from any measure either pending in or before Congress since I have been in public life. Very truly yours, JOHN SHERMAN.

I had faith in the good sense and conservative tendencies of the people, and believed they would not be deluded by such fantasies and fallacies as were contained in the platform of the People's party. That party made a very active canvass, and expected, as a prominent member of it said, "to hold the balance of power in the legislature and dictate who the next United States Senator from Ohio shall be, and you may depend upon it that that man will not be John Sherman."

This Alliance subsequently changed its ground from irredeemable paper money to the free coinage of silver. Professing to care for the farmers and laborers it sought in every way to depreciate the purchasing power of their money.

CHAPTER LX.

Free Silver and Protection to American Industries.

My Views in 1891 on the Free Coinage of Silver — Letter to an Ohio Newspaper on the Subject — A Problem for the Next Congress to Solve — Views Regarding Protection to American Industries by Tariff Laws — My Deep Interest in this Campaign — Its Importance to the Country at Large — Ohio the Battle Ground of These Financial Questions — Opening the Campaign in Paulding Late in August — Extracts from My Speech There — Appeal to the Conservative Men of Ohio of Both Parties — Address at the State Fair at Columbus — Review of the History of Tariff Legislation in the United States — Five Republican Principles Pertaining to the Reduction of Taxes — Speeches at Cleveland, Toledo, Cincinnati and Elsewhere — McKinley's Election by Over 21,000 Plurality.

IN the progress of the canvass of 1891 it was apparent that the farmers of Ohio would not agree to free coinage of silver, and divided as usual between the two great parties. In the heat of this contest I wrote to the "Cyclone" the following letter:

Mansfield, O., July 7, 1891.

Editors 'Cyclone,' Washington C. H.

My Dear Sirs:—In answer to your letter of the 6th, I can only say that my views on the question of the free coinage of silver are fully stated in the speech I made at the last session of the Senate, a copy of which I send you, and I can add nothing new to it.

I can appreciate the earnest demand of the producers of silver bullion, that the United States should pay $1.29 an ounce for silver bullion which in the markets of the world has been for a series of years worth only about one dollar an ounce—sometimes a little more, sometimes a little less, but I cannot appreciate why any farmer or other producer should desire that the government should pay for any article more than its market value. The government should purchase the articles it needs, like all other purchasers, at the market price. The distinction sought to be made in favor of silver is without just foundation. The government now buys in the open market more than the entire domestic production of silver bullion, because it needs it for coinage and as the basis of treasury notes. I gladly contributed my full share to this measure, and would do anything in my power to advance

the market value of silver to its legal ratio to gold, but this can only be done in concert with other commercial nations. The attempt to do it by the United States alone would only demonstrate our weakness.

To the extent that the enormous demand made by the existing law advances the price of silver, the producer receives the benefit, and to-day the production of silver is probably the most profitable industry in the United States. To ask more seems to me unreasonable, and, if yielded to, will bring all our money to the single silver standard alone, demonetize gold and detach the United States from the standards of the great commercial nations of the world. The unreasonable demand for the free coinage of silver has nothing to do with the reasonable demand for the increase of the volume of money required by the increase of business and population of the United States.

We have provided by existing laws for the increase of money to an amount greater than the increase of business and population; but, even if more money is required, there are many ways of providing it without cheapening its purchasing power, or making a wide difference between the kinds of money in circulation based on silver and gold. More than ninety-two per cent. of all payments is now made in checks, drafts and other commercial devices. All kinds of circulating notes are now equal to each other and are kept at the gold standard by redemption and exchange. Our money and our credit are now equal to or better than those of the most civilized nations of the world, our productions of every kind are increasing, and it seems to me almost a wild lunacy for us to disturb this happy condition by changing the standard of all contracts, inducing special contracts payable in gold, and again paying gold to the capitalists, and silver (at an exaggerated price) to the farmer, laborer and pensioner.

I would not be true to my convictions of what is best for the good of my constituents if I did not frankly and firmly stand by my opinions, whatever may be the effect upon me personally. My greatest obligations have been to the farmers of Ohio, and I would be unworthy of their trust and confidence if I did not beseech them to stand by the financial policy which will secure them the best results for their labor and productions, and the comfort and prosperity of all classes alike. Very truly yours,

JOHN SHERMAN.

When this letter was written the demand for the free coinage of silver was at its height. I knew that my position was not a popular one, yet felt confident that in the end the people would become convinced that no change should be made in the standard of value then existing, and that the use of silver as money should be continued and it should be maintained at par with gold, but that when the volume of it became so great as to threaten the demonetization of gold, its coinage should

be discontinued and silver bullion in the treasury should be represented by treasury notes in circulation equal in amount to the cost of the silver bullion. This was the basis of the act of 1890, but, unfortunately, the amount of silver bullion produced in the United States and in the world at large so rapidly increased that it continually declined in market value. Every purchase of it entailed great loss to the United States. How to deal with this condition was the problem for the next Congress to solve.

On the 31st of August, in response to an inquiry from the editor of the "Citizen," a newspaper published in Urbana, Ohio, I wrote the following letter in regard to the policy of protection to American industries by tariff laws:

"A protective tariff was the first measure provided by the first Congress of the United States. No nation can be independent without a diversity of industries. A single occupation may answer for an individual, but a nation must be composed of many men of many employments. Every nation ought to be independent of other nations in respect to all productions necessary for life and comfort that can be made at home. These are axioms of political economy so manifestly true that they need no demonstration. The measure of protection is a proper subject of dispute, but there should be no dispute as to the principle of protection in a country like ours, possessing almost every raw material of nature and almost every variety of productions. We have prospered most when our industries have been best protected. The vast variety of our manufactures, now rivaling in quantity those of countries much older than ours, is the result of protection.

"Every President, from Washington down to Jackson, inclusive, declared in favor of the principle of protection. Every eminent statesman of the early period, including Calhoun, favored this policy. The owners of slaves, engaged chiefly in the production of cotton, became hostile to protection, and, with those engaged in foreign commerce, were the representative free traders of the United States. Now that slavery is abolished and the south has entered upon the development of her vast natural resources, and it has been proven that our foreign commerce is greater under protective laws, there should be no opposition in any portion of our country to the protection of American industry by wise discriminating duties.

"The principle of protection should be applied impartially and fairly to all productions, whether of the workshop or the farm. The object is to diversify employment and to protect labor, and this protection should be impartially applied without respect to the nature of the production. All experience has established the invariable fact that domestic production, by inducing competition, in a brief period, lowers the price of all protected

articles. In the whole range of productions this result has been universal. Whenever it is apparent that a new industry can be established, as is the case now with the manufacture of tin plate, it is good policy to give to the industry a liberal degree of protection, with the assurance that if we have the raw material on equal conditions we can after a time compete with the imported article.

"The policy of a nation upon economic questions should be fixed and stable. The McKinley law, as now framed, though it may be open to criticism as to details, is a strictly protective measure, fair and just as applied to all industries, with ample provisions to secure reciprocity in the exchange of domestic productions for articles we cannot produce. It ought to be thoroughly tested by the experience of several years. It is not good policy to disturb it or keep the public mind in suspense about it. It will, as I think, demonstrate its wisdom, but if not, with the light of experience, it can be modified. The highest policy and the greatest good to our people lie in the full trial of this effort, to establish, upon a firm foundation, the domestic production of every article essential to American life and independence."

These two letters, on the "free coinage of silver" and the "McKinley tariff law," frankly expressed my opinions on the salient questions of the day. With respect to the principles that underlie the policy of protection, I have already stated my opinions in commenting upon the Morrill tariff law. No general tariff bill has passed during my service in Congress that met my entire approval. It is easy to formulate general principles, but when we come to apply them to the great number of articles named on the tariff list, we find that the interests of their constituents control the action of Senators and Members. The McKinley tariff bill was not improved in the Senate. The compact and influential delegation from New England made its influence felt in support of industries pursued in that section, while the delegations from other sections were divided on party lines. The tariff law was not, therefore, consistent with any general principle, but it was nearer so than the one in force before its passage, and the necessity of passing some law that would reduce taxation was so imperative that the differences between the two Houses were readily compromised. The execution of the McKinley law under President Harrison demonstrated that it would furnish ample revenue to support the government, and it should have remained on the

statute book with such slight changes as experience might have shown to be necessary. The Democratic party, however, was opposed to the protective features of this law, took advantage of its defects, and, subsequently, when that party came into power, it unwisely undertook to make a new tariff which has proven to be insufficient to yield the needed revenue, and thus created the necessity of using, for current expenses, the reserve of gold specially accumulated in the treasury for the redemption of United States notes.

I felt the deepest interest in this campaign, not from the selfish desire to hold longer an office I had held for nearly thirty years, but I thought that in Ohio we were to have a great financial battle, upon the result of which might depend the monetary system of the United States. On the 17th of August I said to a reporter:

"The people of the east do not seem to understand this campaign. They do not appear to have any comprehension of what it means to them as well as the country. No matter what their differences upon the tariff question may be, every Republican who wishes the success of his party should be made to understand that there is another and perhaps a graver question to be settled in Ohio this year. While our politics for the past few campaigns have hinged upon minor questions, we are to-day brought back to the financial problem which we all thought had been settled in 1875, when Mr. Hayes won the fight for an honest dollar against Governor Allen, who represented the liberal currency idea. Then it came in the guise of greenbacks, and now it comes in the garb of free silver. That conflict made Mr. Hayes President of the United States. What the decision may be this year no man can tell."

I further said the arguments that year were identically the same as in the Hayes and Allen contest if the word "silver" was substituted for "greenbacks." The Democrats had declared for unlimited coinage, and we had declared against it. The Farmers' Alliance came in as allies of the Democracy, but, while they were an unknown quantity, they did not appear to be very dangerous. I could not find that they made much impression on Republican farmers. It had fallen to the lot of Ohio to be the battle ground on which these financial questions were fought, but we had never been saddled with so grave a

conflict as that year, not merely for the reason that we had both the financial and economic questions depending upon the result, but because of the lack of action and moral force which did not seem to come to us from outside the state, as it should and had years before. I had too much faith in the Republicans of the country to believe that when they understood the situation they would fail to arouse themselves to the necessities of the hour.

In answer to a question as to how the canvass would be conducted, I said that Major McKinley and those close to him were perfectly competent to deal with the management of the campaign and would do so. I should in my opening speech devote myself entirely to a presentation of the financial part of the contest, which was equal in importance with the tariff. It was perhaps unfortunate for both that two such questions should come up for discussion at the same time, but they did and the issue had to be met. The only thing that was necessary to insure a crowning success was that the Republicans of the country should understand that, no matter what their differences upon the tariff were, they had a vital interest in settling the financial question for all time at the next election in the State of Ohio. The prosperity in Ohio was a great aid to the Republicans. The crops in that state and the west were larger than for many years. Prices were good and the farmers as a rule prosperous. This naturally made them regard with grim humor the talk of the Alliance lecturers about poverty and distress. Another thing which helped us was the fact that short crops were the rule in Europe. In reply to a question as to the senatorial issue, I said in one of my speeches:

"I have no regret that this character of battle is prominent. I am rather complimented than otherwise to be again selected as the target of this crusade againt a sound currency. It is a question that has been nearest my heart for a good many years, and I am perfectly willing to abide the result upon my position thereon. As I said before I have no fears as to the decision for the right. I have less opposition to encounter than I have ever had before, and should we carry the legislature, which I believe we will, I am content to stand by the judgment of the Republicans of that body, no matter what it may be."

I made my opening speech in this campaign at Paulding, on the 27th of August. It was mainly confined to the silver question. I quote a few extracts from it:

"It has been said by many persons of both political parties that this is to be a campaign of education. I believe it ought to be so, for the leading questions involved are purely business questions, affecting material interests common alike to men of all parties.

"Upon two great measures of public policy the Republican and Democratic parties have made a formal and distinct issue, and these are to be submitted to the people of Ohio in November, and your decision will have a marked effect upon public opinion throughout the United States. One is whether the holder of silver bullion may deposit it in the treasury of the United States, and demand and receive for it one dollar of coined money for every 371 grains of fine silver deposited. The market value of so much silver bullion is now about 77 cents, varying, however, from day to day, like other commodities, sometimes more and sometimes less. The other question is whether the policy of taxing imported goods by the government of the United States, embodied in our existing tariff law, known as the McKinley tariff, is a wise public policy, or whether it should be superseded by what is called a tariff for revenue only, as embodied in what is known as the Mills bill, which passed the House of Representatives in 1888, and was rejected by the Senate.

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"I propose upon this occasion to confine myself mainly to a frank and homely discussion of the money question, as the most pressing, not that the tariff question is not equally important, but for the reason that I can only do one thing at a time, and the money question is a newer one, is now before us, upon which Republicans and Democrats alike are somewhat divided. I wish to appeal to the reason and common sense of the people who hear me, for that is said to be the highest wisdom.

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"Now, you all know that the money in circulation in the United States —all of it—is good, as good as gold. It will pass everywhere and buy as much as the same amount of any other money in the world. Our money is of many kinds—gold, silver, nickel and copper are all coined into money. Then we have United States notes, or greenbacks, gold certificates, silver certificates, treasury notes and national bank notes. But the virtue of all these many kinds of money is that they are all good. A dollar of each is as good as a dollar of any other kind. All are as good as gold. But, and here comes the first difficulty, the silver in the silver dollar is not worth as much as the gold in the gold dollar. The nickel in that coin is worth but a small part of five cents' worth of silver. And the copper in the cent is not worth one-fifth of the nickel in a five cent piece. How then, you may ask me, can these coins be made equal to each other? The answer is

that coinage is a government monopoly, and though the copper in five cents is not worth a nickel, and the nickel in twenty pieces is not worth a silver dollar, and the silver in sixteen dollars is not worth sixteen dollars in gold, yet, as the government coins them, and receives them, and maintains them at par with gold coin, they are, for all purposes, money equal to each other, and wherever they go, even into foreign countries, they are received and paid out as equivalents.

"The reason of all this is that the United States limits the amount of all the coins to be issued except gold, which, being the most valuable, is coined without limit. If coinage of all these metals was free, and any holder of copper, nickel, silver or gold could carry it to the mint to be coined, we would have no money but copper and nickel, because they are the cheaper metals, worth less than one-fourth of what, as coin, they purport to be. For the same reason, if the coinage of silver was free at the ratio of sixteen of silver to one of gold, no gold would be coined, because sixteen ounces of silver are not worth one ounce of gold.

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"The one distinctive, striking feature of the law of 1890 is, that the United States will not pay for silver bullion more than its market value. And why should we? What is there about silver bullion that distinguishes it from any other product of industry that the government needs? When the government needs food and clothing for the army and navy it pays only the market price to the farmer and manufacturer. The value of silver produced is insignificant compared with the value of any of the articles produced by the farmer, the miner and manufacturer. Nearly all the silver produced in the United States is by rich corporations in a few new states, and its production at market price is far more profitable than any crop of the farmer, and yet it is the demand of the producer of silver bullion that the United States should pay him twenty-five per cent. more than its market value that lies at the foundation of the difference between the Republican and Democratic parties.

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"Our Democratic friends differ from us in this particular. They are in favor of allowing any holder of silver bullion, foreign or domestic, any old silverware or melted teapot, any part of the vast accumulated hoard of silver in India, China, South America and other countries of the world, estimated by statisticians to be $3,810,571,346, to present it to the treasury of the United States and demand one dollar of our money, or our promises to pay money, for 371 grains of silver, or any multiple of that sum, though this amount of silver is now worth only 77 cents, and has for a period of years been as low as 70 cents. If with free silver we receive only the quantity of silver we are required to purchase by exisiting law, the United States would pay over $13,000,000 a year more than if purchased at the market value, and this vast sum would be paid annually as a bounty to the producers of silver bullion,

"But this is not the worst of it. Free coinage means that we shall purchase not merely four and a half million ounces a month, but all the silver that is offered, come from where it may, if presented in quantities of one hundred ounces at a time. We are to give the holder either coin or treasury notes, at his option, at the rate of one dollar for every 371 grains, now worth in the market 77 cents. Who can estimate the untold hoards of silver that will come into the treasury if this policy is adopted?

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"But it is said that free coinage will not have the effect I have stated; that the silver in sight is so occupied where it is that it will not come to us. They said the same when the present law was passed, that foreign silver would not come to us. Yet our purchase of 4,500,000 ounces, troy weight, or 187 tons, of silver a month, at market price, brought into the United States large amounts of silver from all parts of the world. If that is the effect of limited purchases at one dollar an ounce, the market price, what will be the effect of unlimited purchases at 29 cents an ounce more than market price? It would inundate us with the vast hoards of silver in countries where silver alone is current money, and draw to us all the rapidly-increasing production of silver mines in the world.

"But they say with free coinage the price of silver will rise to its old ratio with gold. The experience of all the world belies this statement. In no country in the world where free coinage exists is sixteen ounces of silver equal to one ounce of gold. France and the United States maintain the parity between the two by carefully limiting the coinage and receiving and redeeming silver coins as the equivalent of gold. But wherever free coinage exists that is impossible. With free coinage the market value of the bullion fixes the value of the dollar. The Mexican dollar contains more silver than the American dollar, and yet the Mexican dollar is worth about 78 cents, because in Mexico coinage is free. And the American dollar is worth 100 cents because in the United States coinage is limited. So in all free coinage countries where silver alone is coined it is worth its market value as bullion. In all countries where gold circulates the coinage of silver is limited, but is used as money in even greater amounts than in countries where coinage is free. This is the case in France and the United States. The free coinage of silver in either would stop the coinage of gold.

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"It is claimed that if we adopt the silver standard we will get more money for our labor and productions. This does not follow, but, even if it be true, the purchasing power of our money will be diminished. All experience proves that labor and the productions of the farm are the last to advance in price.

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"Some say that we want more money to transact the business of the country. Do we get more money by demonetizing one-half of all we have?—for the gold now in circulation is more than one-half of the coin in circulation."

In closing this speech I said:

"I appeal to the conservative men of Ohio of both parties to repeat now the service they rendered the people of the United States in 1875, by the election of Governor Hayes, in checking the wave of inflation that then threatened the country. You can render even a greater service now in the election of Governor McKinley, in defeating the free coinage of silver, and strengthening the hands of President Harrison and the Republican Senate in maintaining American industries, a full dollar for all labor and productions, the untarnished credit of the American people, and the advancing growth and prosperity of our great republic. I have endeavored in a feeble way to promote these objects of national policy, and now that I am growing old, I have no other wish or ambition than to inspire the young men of Ohio to take up the great work of the generation that is passing away, and to do in their time as much as, or more than, the soldiers and citizens of the last forty years have been able to do to advance and elevate our government to the highest standard and example of honor, courage and industry known among men."

These extracts give an imperfect idea of the speech, which entered into many details, and stated the effect of the cheapening of the dollar on the wages of men employed as laborers, and on farmers who would be cheated by the diminished power of money.

Being confined to one subject, and that one which at the time excited the attention of the people, this speech was widely copied, and received general approbation from the press of the north and east, and was commented upon favorably in countries in Europe, where the fall in the price of silver was the subject of anxious interest. It also excited the denunciation of the free silver states in the west. The Democratic platform of Ohio had unfortunately committed that great party to the ideas of the new party calling itself the People's party, represented mainly by the disciples of the old greenback fiat money craze, some of whom, while claiming to be farmers, do their planting in law offices, and whose crops, if they have any, are thistles and ragweeds. That part of the platform had been adopted by but a bare majority of the Democratic convention, and Campbell, their candidate, tried to evade it.

McKinley promptly recognized the importance of the money question in the pending canvass, and at once presented in all his speeches the two vital measures of his party—good money

and a protective tariff. On these two issues the Republican party was united and the Democratic party divided.

Early in September, I was invited by the managers of the state fair to make a speech on the 17th of that month at their grounds at Columbus, on the political issues of the day, and accepted the invitation. As usual during the fair great crowds assembled, most of whom no doubt felt more interested in the horse races and sight-seeing than in coinage or tariff, but many thousands, mostly farmers from all parts of the state, were gathered around the east front of the main building. At the time appointed I was introduced by E. W. Poe, the state auditor, with the usual flattering remarks, and commenced my speech as follows:

"When I was invited to speak to you here I was informed that I was expected to present my views on the leading issues of the day, and that a like invitation had been given to Governor Campbell and other gentlemen holding public trusts from the people of Ohio. While this invitation relieves me from the charge of impropriety in introducing a political question on the fair grounds, yet I am admonished by the presence of gentlemen of all parties and shades of opinion that common courtesy demands that, while frankly stating my convictions, I will respect the opinions of others who differ from me. I propose, therefore, in a plain way to give you my views on the tariff question, now on trial between the two great political parties of the United States. It is somewhat unfortunate that this purely business question of public policy is being discussed on party lines, but it is made a party question by the State conventions of the Republican and Democratic parties of Ohio, and we must accept it as such, though I would greatly prefer, and I intend to treat it here, as far as I can, as a purely economic question."

I briefly stated the history of tariff legislation in the United States, what was meant by a tariff and the objects sought by it, and that for the first fifty years of our history the lines were not drawn between a revenue tariff and a protective tariff. It was in those days the common desire of all sections to obtain revenue and to encourage domestic industries. This unity of purpose existed until 1831, when the south had become almost exclusively an agricultural region, in which cotton was the chief product of the plantation with negro slaves as the laborers, and when the north, under the protective policy, had

largely introduced manufactures, and naturally wished to protect and enlarge their industries. The tariff question grew out of a contest between free and slave labor. I referred to the various measures adopted, the compromise measure of 1833, the Whig tariff of 1842, the Walker tariff of 1846, and the Morrill tariff of 1861. During and after the war, for many years, any tariff that would produce enough revenue to meet current expenditures and pay the interest of the public debt would necessarily give ample protection to domestic industries. To meet these demands we had to levy not only high duties on nearly all imported goods, but to add internal taxes, yielding $300,000,000 annually, on articles produced in this country. When this large revenue was no longer necessary, many of these taxes were repealed, and then the tariff again became a political question between the Republican and Democratic parties. I then stated the five principles or rules of action adopted by the Republican party in the reduction of taxes, all of which were applied in the framing of the McKinley tariff law, as follows:

"First. To repeal all taxes on home production, except on spirits, tobacco, and beer.

"Second. To levy the highest rates of duties that will not encourage smuggling, on articles of luxury which enter into the consumption of the rich.

"Third. To place on imported articles which compete with articles that can be manufactured or produced in the United States, such a rate of duty as will secure to our farmers and laborers fair prices, fair wages, and will induce our people to engage in such manufacture and production.

"Fourth. To repeal all duties on articles of prime necessity which enter into the consumption of the American people and which cannot be produced in sufficient quantity in this country.

"Fifth. To grant to foreign nations the reciprocal right of free importation into our ports of articles we cannot produce, in return for the free introduction into their ports of articles of American production."

I entered into full details of the tariff and contrasted the McKinley act with the Mills bill proposed by the Democratic party, but which never became a law, and in conclusion said:

"And now, gentlemen, it is for you to say whether it is better for you, as farmers, or producers, or consumers, to give this law a fair trial, with the right at all times to make amendments, or to open it up and keep it in a contest between two political parties. If we could all divest ourselves of the

influence of party feeling we would have no difficulty in agreeing that either bill is better than a constant agitation and change of our tariff system. I say to you that if the Mills bill had become a law in 1888, I should have been disinclined to agitate its repeal until it had a fair trial, though my study, both in the Senate and committee on finance, led me to oppose it. It seemed to me a retrograde measure, born of the ideas of the south, narrow in its scope, and not suited to a great country of unbounded but undeveloped resources. Still, as I say, if it was the law, I would not repeal it without trial. Now, this McKinley bill does meet, substantially, my views of public policy. Some items I would like to change, but, on the whole, it is a wise measure of finance. It will give enough revenue to support the government. It is an American law, looking only to American interests. It is a fair law, dealing justly by all industries. It is an honest law, preventing, as far as law can, fraud and evasion. It is a comprehensive law covering the whole ground. It will undoubtedly establish new branches of industry in our country not now pursued. It will strengthen others now in operation. It will give to thousands of our people now idle, employment at fair wages. It will give to our farmers a greatly enlarged market for their productions, and encourage them in producing articles not now produced, and to increase their flocks, herds and horses to meet the new demands."

My speech was as free from partisanship as I could make it, and I am quite willing to stand upon the policy I defined.

I visited Cleveland a few days later and met many of the active Republicans of that city, and was glad to learn that they were practically unanimous for my reëlection. Among other callers was a correspondent of the "Plain Dealer" of that city, who treated me fairly in stating correctly what I said in answer to his questions. The "Commercial Gazette" and the "Enquirer," of Cincinnati, also published long interviews with me, and incidents of my life given by my neighbors. I began to believe that these interviews, fairly reported, were better modes of expressing my opinions than formal speeches, and were more generally read.

During the month of October I made many speeches in different parts of the state, several of which were reported in full, but the general tenor of all may be gathered from those already referred to.

Among the largest meetings I attended in this canvass was one at Toledo, on the evening of the 14th of October. Here again I discoursed about currency and the tariff, but the salient

points had become so familiar to me that I could speak with ease to my audience and to myself. As soon as this meeting was over, I took the midnight train for Dayton, where a "burgoo" feast was to be held the next day on the fair grounds. This was by far the largest meeting of the campaign. There was an immense crowd on the grounds, but it was a disagreeable day, with a cloudy sky, a chilly atmosphere and a cold raw wind. McKinley, Foraker and I spoke from the same stand, following each other. As I was the first to speak I had the best of it, and as soon as I finished left the grounds, but they held the great audience for several hours. I insert what the Dayton "Journal" reported of the speakers as a specimen of friendly journalism:

"Sherman renewed his youth and even exceeded the best efforts of his earlier days. Neither man nor woman left their place while Sherman was speaking. At 2 o'clock, when McKinley, our gallant leader, took the platform, the crowd seemed so great that no man's voice could reach them, but they listened for every syllable and made the hills echo with their appreciative applause. Then came Foraker. It seemed as if the great meeting had been magnetized with an electric power of ten thousand volts. There were continuous shouts of approbation and applause from his beginning to the close. His mingling of wit and wisdom, a burgoo combination of powerful and telling arguments, with sandwiches of solid facts, completed a political barbecue which will be a historical memory that will be almost as famous as the gathering of the people of this splendid valley in 1842, when Henry Clay spoke to our fathers on the same sod and under the shade of the same trees on the same subjects. The memory of the magnificent Republican demonstration at the Montgomery fair grounds on the 15th day of October, 1891, will remain with all who participated in it as long as they shall live."

On the evening of October 17, Foraker and I appeared together before a great audience in Music Hall, Cincinnati. I insert a few sentences of a long description in the "Commercial Gazette" of the next day:

"Music Hall was the scene last night of the greatest Republican gathering of the campaign. Senator Sherman and Governor Foraker were the speakers.

"The meeting was an immense one. That was a magnificent assemblage. It was an ovation. It was a recognition of brains and integrity. It was an evidence that honesty and justice prevail. It showed that the people believe in the Republican party. It proved that they appreciate that the party

still has a mission. It evinced an appreciation of the past and a hope for, and a belief in, the future. It was a great outpouring of Republicans. It was a gathering of the supporters of right as against wrong. It was a regular Republican crowd. Personal feelings and personal ambition were laid aside.

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"Sherman and Foraker were on the stage together. Their presence on the same stage was a noteworthy fact. It was an evidence of harmony and of strength. Then, again, the united marching of the Lincoln and Blaine clubs was a further proof of harmony. In fact, the entire meeting, and the pleasant feeling manifest, proved that the party is united as one man against its old foe, the Democracy; that, as many a time before, it is ready and anxious to do battle with the ancient enemy. No deceits, no frauds, can defeat it—the Republican party. This the meeting proved conclusively."

I closed my part in this canvass at Toledo and Cleveland in the week before the election, and these speeches were fairly and fully reported. During the whole contest between Foraker and myself there was nothing said to disturb our friendly relations. The election resulted in the success of the Republican ticket and a Republican legislature, McKinley receiving over 21,000 plurality. Immediately after the election it was announced that the members of the legislature from Hamilton county were unanimously in favor of Foraker for Senator. This announcement, and especially the manner of it, created a good deal of bad feeling in the state, especially as it was alleged and believed that George Cox had full control of the delegation and had required the pledges of each senator and member to vote for United States Senator as he dictated.

During the entire canvass there was a full and free discussion, not only in Ohio but throughout the United States, as to the choice between Foraker and myself. It was known that the vote in the legislature would be close and the friends of each were claiming a majority for their favorite. It is not necessary to follow the progress of the contest, but I became satisfied that I would be reëlected, although the most positive assurances were published that Foraker, with the aid of his solid delegation from Hamilton county, would be successful. Many things were said during the brief period before the election that ought not to have been said, but this is unavoidable

in choosing between political friends as well as between opposing parties. Every Republican paper in Ohio took sides in the contest. Meetings were held in many of the counties and cities of the state, and resolutions adopted expressing their preference.

I was urged by some friends to go to Columbus some time before the meeting of the legislature on the first Monday in January, but delayed my departure from Washington until after the wedding of my niece, on the 30th of December, a narrative of which was given by the "Ohio State Journal" as follows:

"The marriage of Miss Rachel Sherman, daughter of the late General William T. Sherman, and Dr. Paul Thorndike, of Boston, was solemnized at high noon to-day at the residence of Senator Sherman, in the presence of a distinguished audience of relatives and officials. It was a gathering composed chiefly of intimate friends of the late General Sherman, many of whom came from afar to witness the nuptials of the favorite daughter of the deceased chieftain.

"The house was gay with music and fragrant with flowers. The ceremony took place in the front parlor of the residence. A canopy of asparagus and smilax was twined over the recess where the ceremony was performed. A background of foliage and palms massed together made the couple standing in front all the more effective and attractive. On the mantel were banked white blossoms in profusion, and hanging from the chandeliers wreaths of smilax intertwined with white chrysanthemums and carnations. The ushers were Mr. Allen Johnston, of the British legation, Mr. Ward Thoron, Mr. William Thorndike, Dr. Augustine Thorndike and Mr. Tecumseh Sherman, the bride's brother. Preceding the bride came her little niece, Miss Elizabeth Thackara, in a gown of white muslin, carrying a basket of white lilies. Senator Sherman escorted the bride, who was met by the groom and his best man, Mr. Albert Thorndike. The party grouped about Father Sherman, brother of the bride, who, with much impressiveness, performed the marriage rites of the Catholic church.

"After the ceremony the bride and groom held a reception. A wedding breakfast was next served to the invited guests. Among those present were the President and Mrs. Harrison, Mrs. McKee, the Vice President and Mrs. Morton, Secretary Blaine, Miss Blaine, Mr. and Mrs. Damrosch, Secretaries Rusk and Tracy, Senator and Mrs. Stanford, Sir Julian Pauncefote and others."

CHAPTER LXI.

Elected to the United States Senate for the Sixth Time.

I Secure the Caucus Nomination for Senator on the First Ballot — Foraker and Myself Introduced to the Legislature — My Address of Thanks to the Members — Speech of Governor Foraker — My Colleague Given His Seat in the Senate Without Opposition — Message of President Harrison to the 52nd Congress — Morgan's Resolutions and Speech for the Free Coinage of Silver — Opening of the Silver Debate by Mr. Teller — My Speech on the Question — Defeat of the Bill in the House — Discussion of the Chinese Question — My Opposition to the Conference Report on Mr. Geary's Amended Bill — Adopted by the Senate After a Lengthy Debate — Effect of the Tariff Laws Upon Wages and Prices — Senator Hale's Resolution — Carlisle's Speech in Opposition to High Prices — My Reply — Résumé of My Opinions on the Policy of Protection — Reception by the Ohio Republican Association — Refutation of a Newspaper Slander Upon H. M. Daugherty — Newspaper Writers and Correspondents — "Bossism" in Hamilton County.

UPON the meeting of the Ohio legislature, on the 4th of January, 1892, Foraker and I were in attendance, stopping at the same hotel and meeting daily. There was much excitement and great diversity of opinion as to the result of the senatorial election. Several of the members, whose preference I knew, would not declare their vote, with the mistaken idea that to remain silent would relieve them from importunity, but before the decisive vote was taken in caucus I was confident of success.

The caucus met on Wednesday evening, the 6th of January. It was composed of the Republican members of both houses. L. C. Laylin, a friend of mine, who had been elected speaker of the house of representatives, was made chairman of the caucus. An attempt was made by the friends of Foraker to secure a secret ballot, but this was defeated. The decisive vote was then taken, in which I received 53 votes, Foraker 38, Foster 1 and McKinley 1. My nomination was then made unanimous, and I was subsequently elected by the legislature for the term ending March 4, 1899.

The caucus appointed a committee of its members to escort Foraker and myself to the hall of the house of representatives, where we were received with hearty applause. We were introduced by Speaker Laylin, and our speeches will show that if we were combatants we appreciated the merits of our respective adversaries. I said:

"Senators, Representatives and Fellow Citizens:—I return to you my most grateful thanks for the very high honor you have conferred upon me. Long trusted by the people of Ohio, I am under obligations that I cannot express in any language at my command. I owe to them—I owe to you—all that could be said from a heart overflowing.

"We have just passed through quite a contest, the most formidable that I have ever encountered in Ohio, and I hope more formidable than I will ever be called upon to encounter hereafter. I know, gentlemen, that you have been called upon to make a choice which was unpleasant to you because you would have liked to vote for both of us, and would have been glad to have two Senators to elect instead of one.

"I am glad to say that in this contest I have held, in my language and in my heart, the highest feelings of respect and honor for the gentleman who was my competitor, and who is now before you. He is entitled to the love and affection of the people of Ohio, and if you have given me this high honor because of my experience, you have not underrated the high qualities, mental and moral, of Governor Foraker. Although you have been engaged in this friendly contest, we are all Republicans and I trust ever will be Republicans, true to our cause, and true to the principles we advocate. I again return to you, as the senators and representatives of our state, my thanks for this almost unequaled honor."

Governor Foraker said:

"Mr. Chairman and Gentlemen of the Caucus and Fellow Citizens:—I am informed that, so far as you are concerned, the senatorial contest is ended, and I have come here in response to your kind invitation to say that so far as I am concerned it is ended also.

"You did not end it as I had hoped you might, but you are the duly accredited and authorized representatives of the Republicans of Ohio, and your will is law unto me and mine.

"As Senator Sherman has said, we have been having something of a contest. For the last ten days we have been divided into Sherman men and Foraker men, and we have been striving against each other. There has been possibly some rasping and some friction, but at this hour it is our highest duty to remember that from now on henceforth, in the language again of the Senator, we must remember that we are no longer Sherman men nor Foraker men, but Republicans all.

"Let us here and now put behind us, with the contest to which it belongs, whatever unkindliness of feeling, if there be any at all, that may have been engendered. So far as I am concerned I am glad to be able to say to you, gentlemen of the 70th general assembly, that I have not an unkind thought toward any one of you, no matter whether he has been friend or foe. I have no resentments, no bitterness of feeling to carry with me. On the contrary, I shall go back to the pursuit of my profession with my mind and my heart filled with only grateful recollection and a pleasurable, and I trust a pardonable, pride for the gallant, intrepid band who have honored me with their support in this contest. Without any disposition to criticise or find fault in the slightest degree, but only as an excuse in so far as that may be necessary for enlisting in a cause that has been crowned, not with success, but with defeat, let me say to these friends that when we entered upon it I did not foresee some of its features. I was not aware then, as we have since come to know, that we have had to fight, not only the Republicans of Ohio who were against us, but, because it was grand old John Sherman on the other side, and with him the whole United States of America. The Senator has said he don't want any more contests like this. I thank him for the compliment, and vouch to you that I don't want ever again to cross swords with a Sherman."

The 52nd Congress met on the 7th of December, 1891. The credentials of my colleague, Calvin S. Brice, in the usual form, were presented and upon them he was entitled to be sworn into office. If his right to a seat was to be contested the grounds of the contest might be afterwards presented, when the case would be decided on its merits, but, until it should be determined by the Senate that he was not duly elected, he could perform the duties of a Senator. I was urged to object to his taking the oath of office on the ground that he was not a resident of the State of Ohio when elected. This I declined to do, but simply gave notice of his alleged disability, so that it would not be waived in case the legislature or citizens of Ohio should establish the fact that he was not an inhabitant of that state when elected. This was not done and no attempt was made to contest his seat, but I was reproached by unreasonable partisans for the neglect to do so.

The annual message of President Harrison, sent to Congress on the 9th of December, strongly recommended the aid of the government in the construction of the Nicaragua Canal. He highly commended the McKinley tariff bill, and said that its results had disappointed the evil prophecies of its opponents,

and, in a large measure, realized the predictions of its friends. He referred to the large increase of our exports and imports, and, generally, gave a hopeful view of our financial condition. He recommended that the experiment of purchasing 4,500,000 ounces of silver bullion each month, under the act of July 14, 1890, be continued. Though silver had fallen in value from $1.20 an ounce to 96 cents, yet he hoped a further trial would more favorably affect it. He was still of opinion that the free coinage of silver under existing conditions would disastrously affect our business interests at home and abroad. He approved the application of the surplus revenue to the reduction of the public debt, and stated that since the 1st of March, 1889, there had been redeemed of interest-bearing securities $259,079,350, resulting in a reduction of the annual interest charge of $11,684,675. On the whole the message of the President and the report of Secretary Foster presented a favorable state of our national finances.

The disposition of the 52nd Congress was not to engage in political debate, especially on financial questions, as it was divided on political lines, the Senate being Republican, and the House Democratic. The current business did not present such questions until Senator Morgan, on the 30th of March, 1892, introduced resolutions directing the committee on finance to make examination and report upon six different propositions, embracing the whole financial system of the United States, and to do it promptly. I had no objection to the passage of the resolutions, though they were imperative in tone, but naturally supposed they were brought in merely as a text for a speech, and suggested to Morgan that he prepare a bill that would carry out his views and have that referred to the committee. He said: "I do not expect to refer them. I expect to instruct your committee what to do. That is what I propose." In introducing his resolutions he said: "There is an evil in the land, a difficulty of most serious embarrassment. . . . The people cannot afford to wait without encountering all the hardships of bankruptcy and ruin. . . . Our differences will not permit our people to wait further adjustment when they are in a death struggle with poverty and wretchedness."

MR. SHERMAN'S RESIDENCE AT WASHINGTON, D. C., K ST., BETWEEN 13TH AND 14TH STS

I replied: "If there is such distress as the Senator imagines it ought to be met by specific measures and not by a debating school." I knew that what he wanted was the free coinage of silver. Upon this question both parties were divided. The states producing silver were represented by Republicans who favored a measure that, in my opinion, would lead to the single standard of silver, and if the Senate was to consider that subject I wished it to be distinctly presented and debated, rather than to enter upon the discussion of a multitude of theories that would lead to no result. He expressed the desire that he and others should have an opportunity to speak on the resolutions, and, in conformity with the usages of the Senate, they were left on the table for indefinite debate.

On the 14th of April, Morgan made an elaborate speech covering twelve pages of the "Record," in which, as I expected, he elaborated his views in favor of the free coinage of silver, and closed as follows:

"We are very nearly out of the woods now, and if you will add the free coinage of silver on equal terms with gold, and will cause the treasury of the United States to coin the silver that is there on the same terms that it does gold, I believe that we shall soon master every difficulty in our way. Then the honorable Senator from Ohio would have the right to rejoice, and, contrary to his will, he would be led up into such high positions that he would be able, at last, to bless the country when he did not expect to do it."

Believing, as I did, that to continue this debate would be a fruitless waste of time, and interfere with the current business of Congress, I said:

"I do not intend to engage in this discussion, but still I wish to ascertain the sense of the Senate. If we are to have a general silver debate now, to the displacement of other business, I should like to have that point tested; and, in order to settle it definitely, without engaging in the debate at all, I move to lay the pending resolutions on the table."

Mr. Teller, the leader of the "silver Senators," as they are called, with some excitement, said:

"The Senator from Ohio, flushed, perhaps, with the victory apparently in the other House against silver, seems to think he can down the debate in this body on the subject. I want to say to the Senator that we spent some time during the last session to prevent him, and others who thought with him, from securing a rule that would cut off debate in this body, and the Senator might as well meet the question now as at any time; that this

question will be debated, and if not upon this, upon some other resolution. . . . I give notice that, under the rules of the Senate, we are able to be heard, and that we will be heard, in despite of the honorable Senator from Ohio, who appears to be so anxious to stifle debate."

To this I replied:

"I deny, in the most emphatic terms, that I have endeavored to stifle debate. There is no ground for such an assertion. There is not an iota of ground upon which such an assertion can be made. I never objected in my life, and I have been here longer than any of you, to any Senator speaking at any time when he chose upon any subject; and every man here knows it. . . . I am willing to discuss, and I never shrank from debate on, the silver question, or the gold question, or the currency question. I have not been willing, at all times, to talk at all hours, and reply to every gentleman who might choose to make a speech; but whenever the Senate undertakes to engage in this debate, I will take my share of it, and I will take my responsibility for it."

I then proceeded at some length to reply to Morgan. The debate was suspended by the order of business, but it continued from day to day as opportunity offered, on a motion to refer the resolutions to the committee on finance, until the 25th of May, when the Senate rejected the motion by a vote of 17 yeas to 28 nays. This vote was a clear indication that a majority of the Senate favored the free coinage of silver. I then, while criticising the terms of the resolutions, expressed my desire that they should be adopted. This led to a desultory debate in which I took part, and on the morning of the next day, having the floor, said:

"I regret as much as anyone can the unusual and remarkable interposition of this question, by the Senator from Alabama, at every stage of our business. Now, the whole of the morning hour has been wasted except the ten minutes which I shall occupy, and probably nothing could be done in that time.

"An arraignment has been made of the committee on finance as if it had neglected to perform its duty. I am not authorized to speak for the committee except as one of its members. Its chairman, the Senator from Vermont, Mr. Morrill, is here to speak for it, but the committee on finance has never for a moment evaded or avoided the issue of the free coinage of silver. It has never delayed a bill, so far as my knowledge extends, upon that subject. Very soon after the bill of the Senator from Nevada was introduced it was considered and reported adversely. I believe two-thirds of the members of the committee were opposed to the bill as it stood. There has not been a day nor an hour, in the ordinary course of business of the Senate, when,

upon the motion of anyone, that bill could not have been taken up if a majority of Senators were in favor of it, but, unfortunately for the Senator, a majority of Senators were not in favor of taking it up and interposing it in place of all the other business. Therefore, this mode is adopted to bring it here before the Senate."

At two o'clock I gave way to the regular order of business. Mr. Stewart then moved to take up his bill, introduced early in the session, to provide for the free coinage of gold and silver bullion. It had been referred to the committee on finance, reported adversely, and was on the calendar, subject to a motion to take it up at any time. This again presented directly to the Senate the policy of free coinage of silver. The motion was agreed to by the vote of yeas 28, nays 20. The resolutions of Morgan were practically suspended and the vote on taking up the silver bill indicated its passage. Mr. Teller opened the debate for free coinage. On the 31st of May I commenced a very long speech, opening as follows:

"I do not regard the bill for the free coinage of silver as a party measure or a political measure upon which parties are likely to divide. It is in many respects a local measure, not exactly in the sense in which General Hancock said in regard to the tariff that that was a local question, but it is largely a local question. Yet, at the same time, it is a question of vast importance. No question before the Senate of the United States at this session is at all to be compared with it in the importance of its effects upon the business interests of the country. It affects every man, woman and child in our broad land, the rich with his investments, the poor with his labor. Everybody is deeply interested in the standard of value by which we measure all the productions of the labor and all the wealth of mankind.

"Five states largely interested in the production of silver are very ably and zealously represented on this floor. They are united by their delegations, ten Senators, in favor of the free coinage of silver. The south seems also to have caught something of the spirit which actuates the mining states, because they desire, not exactly the free coinage of silver, but an expansion of the currency, cheaper money, and broader credit, and they also are largely represented on this floor in support of the proposition in favor of the free coinage of silver. So, in other parts of the country, those who have been taught to believe that great good can come to our country by an unlimited expansion of paper credit, with money more abundant than it is now, also believe in the free coinage of silver.

"I, representing a state nearly central in population, have tested the sense of the people of Ohio, and they, I believe, are, by a great majority, not only of the party to which I belong, but of the Democratic party, opposed to

the free coinage of silver. They believe that that will degrade the money of our country, reduce its purchasing power fully one-third, destroy the bimetallic system which we have maintained for a long period of time, and reduce us to a single monometallic standard of silver measured by the value of 371¼ grains of pure silver to the dollar."

I will not attempt to give an epitome of this speech. It covered seventeen pages of the "Record," and dealt with every phase of the question of silver coinage, and, incidentally, of our currency. No part of it was written except the tables and extracts quoted. Its delivery occupied parts of two days, May 31 and June 1. After a careful reading I do not see what I could add to the argument, but I might have condensed it. The question involved is still before the people of the United States, and will again be referred to by me. I closed with the following paragraph:

"But, sir, closing as I began, let me express my earnest belief that this attempt to bring this great and powerful nation of ours to the standard of silver coin alone is a bad project, wrong in principle, wrong in detail, injurious to our credit, a threat to our financial integrity, a robbery of the men whose wages will be diminished by its operation, a gross wrong to the pensioner who depends upon the bounty of his government, a measure that can do no good, and, in every aspect in which it appears to me, a frightful demon to be resisted and opposed."

The debate continued with increasing interest until the 1st of July, when the bill passed the Senate by the vote of yeas 29, nays 25. It was sent to the House of Representatives for concurrence, but a resolution providing for its consideration was there debated, and rejected by a vote of yeas 136, nays 154.

During this session of Congress the policy of restricting Chinese immigration was strongly pressed by the Senators and Representatives from California and Oregon. They were not content with an extension of the restrictions imposed by the act of 1882, which, by its terms, expired in ten years from its approval, but demanded a positive exclusion of all Chinese except a few merchants and travelers especially defined and excepted, to be enforced with severe penalties almost savage in their harshness. The position of the two countries in respect to migration from one to the other had been directly reversed. In common with European nations the United States had,

several years before, compelled the opening of Chinese ports to Americans, insured the protection of its citizens in that country, and had invited and encouraged Chinese laborers to migrate to the United States. This was especially so as to the Pacific states, where Chinese were employed in large numbers in the grading and construction of railways and as farmers in cultivating the soil. These people were patient, economical and skillful. Very many of them flocked to San Francisco, but they soon excited the bitter opposition of laborers from other countries, and no doubt of some American laborers. This led to the restriction act of 1882 and to a treaty with China, by which that country consented to the exclusion of Chinese laborers, a degraded class of population known as "coolies." It was complained in 1892, and for several years previously, that the provisions of the law of 1882 and of the treaty were evaded by fraud and perjury. Senator Dolph, of Oregon, had introduced a bill extending the restriction to all Chinese laborers, with provisions to prevent evasion and fraud. A number of other bills were introduced in each House of a like character. The committee on foreign relations considered the subject-matter very carefully and directed Mr. Dolph to report a bill extending for five years the act of 1882, with several amendments providing against frauds. This bill was passed and sent to the House, but was not acted upon there.

On the 18th of February Thomas J. Geary, a Member from California, reported to the House of Representatives, from the committee on foreign affairs, a bill to absolutely prohibit the coming of Chinese persons into the United States. On the 4th of April he moved to suspend the rules and pass the bill. After a debate of one hour, and without amendment, this drastic bill passed. It came to the Senate and was referred to the committee on foreign relations. On the 13th of April it was reported to the Senate with an amendment in the nature of a substitute, which was the bill that had previously passed the Senate.

On the 21st of April I made a full statement of the action of the committee and the scope of the amendment proposed

by it. I had no sympathy with the outcry against the Chinese, but was quite willing to restrict their migration here to the extent proposed by the committee. On the 25th of April the amendment was agreed to after full debate, by the strong vote of yeas 43 and nays 14. In this form the bill passed. The House disagreed to the Senate amendment and a committee of conference was appointed, consisting of Dolph, Sherman and Morgan on the part of the Senate, and Geary, Chipman and Hall on the part of the House. This committee recommended the adoption of the House bill with certain amendments. The report was signed by Dolph and Morgan on the part of the Senate, and Geary and Chipman on the part of the House. I stated my dissent from the conference report, as follows:

"Though a member of the conference committee, I was not able to get the consent of my own judgment to sign this report. I simply wish to state very briefly the reasons why I did not do it.

"I was very willing to provide for any legislation necessary to continue in force the existing restrictions against Chinese laborers coming to this country. The Senate bill did this, I thought, very broadly. It continued in force the old laws. It provided some penal sections to punish Chinamen coming into the country in opposition to the law, especially through Canada. I look upon the introduction of Chinese laborers through Canada as not only an insult to our country, but it seems to me an almost designed insult by the Canadian authorities to allow a class of people who are forbidden by our laws to come here, to enter a port right on our border. They are charged $50 for the privilege of landing on Canadian soil with the privilege to enter our country in violation of our laws. It is not courteous treatment by the Canadian authorities, and it is incidents like this which tend to create excitement all along the border, and which some time or other will no doubt be the cause of great difficulty, because unfriendly legislation of that kind, constantly repeated, must tend to create irritation.

"The objection I have to this measure is in the addition that has been made to the Senate bill, which provides for a certificate to be taken out by every Chinaman lawfully in this country, here under virtue of our treaty and by our laws; that they must apply to the collector of internal revenue of their respective districts, within one year after the passage of this act, for a certificate of residence, and severe penalties are provided for neglect or refusal to do so. This inaugurates in our system of government a new departure, one I believe never before practiced, although it was suggested in conference that some such rules had been adopted in the old slavery times to secure the peaceful and quiet condition of society. It is suggested that we act daily upon the same rule in regard to the Indian

tribes on reservations, but that is upon very different ground. The Indians are in our country, they are confined to reservations, and treaties have been made, and those treaties require them to stay on their reservations. So we are simply enforcing the treaties, and the Indians do not have to get a certificate or be punished.

"Now, whether this exceptional legislation, never before introduced into our country, except in the possible cases I have mentioned, is in violation of the treaty, is the real question and the real doubt upon which I stand. I care nothing about the exclusion of Chinese laborers from our country, because I believe their habits are inconsistent with our civilization, and, as soon as we can get rid of them properly, according to the treaty, I am willing to do so. The question is now whether, in the face of the language of the treaty of 1880, it is our right—not our power, but our right according to the treaty—to make this exceptional legislation for people who are now here under existing law. The treaty provides that the United States may, whenever in its opinion the coming or residence of Chinese laborers injuriously affects the interests of this country, 'regulate, limit or suspend such coming or residence, but may not absolutely prohibit it.' In violation of that article of the treaty we expressly provide that these people shall only have the right to remain here upon applying, on certain terms and conditions, for a certificate; that if they lose their certificate they are not to be governed by the laws as to other persons; they are here ticket-of-leave men. Precisely as under the Australian law a convict is allowed to go at large upon a ticket-of-leave, these people are allowed to go at large and earn their livelihood, but they must have this ticket-of-leave in their possession. We have agreed by this treaty not only that we would not discriminate against them in our legislation, but that we would permit these laborers to remain in the position of persons 'of the most favored nation.' . . . Here is a treaty by which China, the most populous nation in the world, agreed that the United States may exclude the class of people of China that we do not want here, making a discrimination against them among all the nations of the world. But it is done upon certain terms and conditions, that in respect to those who are now here they shall be treated as all other peoples are treated; that no discrimination shall be made against them; that no prejudicial mark shall be put upon them. By the terms of this bill I think the treaty is violated, and I, for one, do not propose to vote for the conference report on that ground."

After a lengthy debate in the Senate the report of the conference committee was agreed to, and the bill became a law.

An interesting debate occurred during this session in respect to the effect of the tariff laws upon wages and prices. No tariff bill was then pending, but a sub-committee of the committee on finance had been engaged for the past year in investigating

this subject, and had accumulated a mass of testimony in regard to it. Senator Eugene Hale, on the 27th of June, offered the following resolution, which gave rise to the debate:

"WHEREAS, At no time has so large a proportion of the American people been employed at so high wages, and purchasing the necessities and comforts of life at so low prices, as in the year 1892; and

"WHEREAS, The balance of the trade with foreign countries has never been so large in favor of the United States as in the last year; and

"WHEREAS, These conditions exist and are largely due to the Republican policy of 'protection:' Therefore,

"*Resolved*, That the committee on finance be, and is hereby, directed to inquire into the effect of a policy of 'tariff for revenue only' upon the labor and the industries of the United States, and to report upon the same to the Senate."

The next day Mr. Hale made a brief speech upon the resolution, and was followed by Senator Vest, who quoted many documents, which were printed in the "Record," in support of his views. Several other Senators participated in the debate which continued from day to day.

The full report of the committee referred to, embracing three volumes of over six hundred pages each, was submitted to the Senate on the 19th of July, and on the 29th Senator John G. Carlisle, who, as a member of the committee, had taken much interest in the inquiry, and had participated in the conversational debate during the preceding month, made an elaborate speech upon the resolution and mainly upon the proposition advanced by him, that the result of the McKinley law was to increase the prices of commodities, while it did not increase wages. His speech was certainly a good specimen of logic by a well trained mind. His first proposition was that it was the unanimous opinion of scientists and statisticians, in all the great industrial and commercial countries of the world, that the prices of commodities had been decreasing, and the rates of wages, especially in those occupations requiring skill and intelligence, had been increasing; that capital had been receiving, year by year, a smaller percentage of the total proceeds of the product, and labor a larger percentage. He insisted that the tendency towards a decline in the prices of commodities and an increase in the rates of wages is the necessary

result of our improved methods of production, transportation and exchange. He said that anyone who contends in this day that high prices of commodities are beneficial to the community at large, is at war with the spirit of the age in which he lives, and with the genius of discovery and invention, which, during the last half century, has ameliorated the condition of mankind by bringing all the necessaries of life, and many of its luxuries, within the reach of every man who is willing to work. He then entered into an elaborate argument to show that the McKinley act interfered with this natural tendency towards a decline in the prices of commodities and a rise in the rates of wages, and made it harder and more expensive for the masses of the people of the United States to live.

I do not follow his argument, as, to treat him fairly, it would be necessary to state it in full. It was illustrated by carefully prepared tables.

On the same day, without preparation, I said I would not undertake to reply to the precise and fair argument made by the Senator from Kentucky, but took exception to the basis of his argument, that the cheapness of things is the great object of desire. I did not think so, though the report of the committee did not bear out his argument as to the effect of the McKinley law, but, on the contrary, showed that prices had declined and wages increased since its enactment. When cheapness comes by discoveries, by inventions, or by new industrial processes, the people ought to share in those benefits, but as a rule mere cheapness of things is not a benefit to the people of the United States, especially when they are the productions of the people of the United States. When the wheat of the farmer is worth only fifty cents a bushel or his cotton only seven cents a pound it is to him a calamity, not an object of desire but a misfortune. I proceeded at some length to answer the points made by Mr. Carlisle as I recalled them. I insisted that the magnitude of domestic production and the opportunities to labor were matters of greater importance than the prices of commodities. If our needs can be supplied by American labor it is a mutual advantage to both the laborer and producer. The larger the product of American labor the

greater is the wealth and comfort of American citizens. If American labor is actively employed there can be no difficulty in the laborer obtaining the necessaries of life. I quoted the opinions of the Presidents of the United States, including Jefferson, Madison, Monroe and Jackson, as the friends and supporters of the doctrine of the present Republican party on the subject of protection. Mr. Jefferson, especially, announced, as among the first and vital principles of his party, the protection of American industries, the diversity of employment and the building up of manufactures. Andrew Jackson repeatedly made the same declaration. The platform upon which he was elected was "That an adequate protection to American industry is indispensable to the prosperity of the country; and that an abandonment of the policy at this period would be attended with consequences ruinous to the best interest of the nation."

I insisted that the object of protection—the employment of American labor—was of more importance than the price of food or clothing, though I believed, with Mr. Carlisle, that the tendency of a constant falling of the prices of the necessaries of life would go on, without regard to the duties on imported goods, as the natural result of invention and skill.

My speech of an hour or two was frequently interrupted, but it contains the substance of opinions I have always entertained in respect to protective duties. My object has always been to seek to advance the interests of American workingmen in all kinds of industries, whether mechanical, agricultural, scientific or otherwise. Whether the cost of the necessities are increased or diminished by this policy is a matter of comparative indifference, so that the people are employed at fair wages in making or producing all articles that can be profitably produced in the United States. The gist of my opinions on the policy of protection is contained in the following paragraphs of this speech:

"Whenever tariff duties are levied at a higher rate than sufficient to compensate our laboring men in the different rates of wages they are fairly entitled to receive, then I am against the tariff act. I have never favored any tariff that, in my judgment, did not furnish sufficient and ample protection to American labor. As to American capital, it needs no protection.

The capital of our country has grown so fast, so large, so great, that it does not need protection. We are able to engage in any kind of manufacturing industry. We are able, so far as the capital of our country is concerned, to compete with foreign production. The rates of interest on money in this country have fallen very nearly, though not quite, to the European rates. Therefore, capital needs no protection. It ought to demand no protection, but it ought to demand, and it ought to receive, in every branch of American industry which can be carried on here with profit, that degree of protection which will enable the manufacturer to pay to the American laborer American wages, according to American standards, to satisfy the wants which are required by the average American citizen, and that is all that is desired."

Having referred to the principal measures of Congress during the long session of 1891–92, I recur to some of the personal events that followed my reëlection. It was received with general approval by the press of the United States. On the evening of the 30th of January, 1892, the Ohio Republican Association at Washington, extended to me a reception at the National Rifles' Armory. Several hundred invitations had been issued, and very few declined. The hall was beautifully decorated with flags, and in the gallery the Marine Band was stationed and rendered patriotic airs. I was introduced to the audience by Thomas B. Coulter, the president of the association. He deplored the illness of Secretary Charles Foster, who was to have delivered the address of welcome, and then introduced S. A. Whitfield, who made a complimentary address, closing as follows:

"You have gone through all these years of public life without a stain upon your honored name. The recent election in Ohio demonstrated the honor in which you are held by the people of your state. It was that which has given us this opportunity to pay you this respect, we, of the Ohio Association, who are here to welcome you."

To this I made a brief reply, expressing my hearty thanks. John Wanamaker, Postmaster General, made an interesting address, full of humor and kindness, and was followed by several Members of Congress, among whom was my neighbor, Michael D. Harter.

The only incident of an unpleasant nature growing out of the senatorial contest was an unfounded charge against H. M. Daugherty, an active and able member of the house of

representatives of Ohio, who was accused by a newspaper with being corruptly influenced to cast his vote for me. He promptly denounced the slander, and demanded an investigation. Noticing the publication and his denial, I wrote him as follows:

SENATE CHAMBER,
WASHINGTON, January 18, 1892.

HON. H. M. DAUGHERTY.

MY DEAR SIR:—I notice in Saturday's 'Journal' that you intend to push to a trial some of the men who most unjustly libeled you, and indirectly libeled me. I think so clear and strong a case of gross injustice ought to be punished if the law can furnish any relief, and I sympathize with you, and will stand by you in the effort to reach the guilty parties.

No one can know better than I the frank, manly and disinterested course you pursued in the contest for the organization of the house, and the election of Senator, and no one can know better than I how false the imputation made against you was.

I am glad to say that in the whole contest I never used one dollar of money to corrupt or influence the vote or judgment of any member of the legislature, and that the charge that you received, or were to receive, $3,500, or any other sum of money, is absolutely false and malicious. Whenever you desire me to testify to this, I will gladly do so.

Very sincerely yours, JOHN SHERMAN.

A committee was appointed by the general assembly, who examined witnesses, and, after reciting the evidence, reported as follows:

"We are unable to find one iota of evidence that would lead us to believe that the said H. M. Daugherty either received, or asked, or was offered, any consideration for his vote for John Sherman, for United States Senator, or that anyone received, or asked, or was offered, the same for him, or that he was in any way unduly or corruptly influenced to cast his vote for the said John Sherman, but that, in voting for the said John Sherman, Mr. Daugherty followed the instructions received by him from his constituents. We herewith submit all the evidence taken by us in this examination, and make the same a part of this report. Respectfully submitted,

A. H. STROCK,
J. C. HEINLEIN,
W. A. REITER,
JOHN D. BEAIRD."

The "State Journal" said:

"After the report was read and adopted members crowded around Mr. Daugherty and congratulated him. These expressions of good will were too much for Mr. Daugherty's composure, and tears came unbidden to his eyes.

He felt the stigma placed upon his good name by the insinuations of the Democratic newspapers very keenly, although not one member of the house believed the stories."

At this period many interviews with me were published. It is the custom of newspaper letter writers, who are generally bright intelligent men, to call upon a Senator or Member with some current story of the hour and then interview him. A brief interview is often expanded into a long article in a newspaper, founded sometimes not upon the conversation but upon speeches, writings and known opinions of the person interviewed. When this is fairly and truly done it answers the purpose of the letter writer, and the person interviewed has no cause of complaint. This was especially the case with the letters of George Alfred Townsend. His letter of February 26, 1892, was but one of many which entered into details that I could not deny, embracing anecdotes and incidents hardly worthy of preservation, but forming a part of the gossip of the hour. The newspaper reporter, as distinguished from the letter writer, does not seek as a rule to verify his views, but flashes by telegraph the current report of the moment. In this way it was stated in the New York "World," on the 29th of February, that I was about to resign and that Foster was to take my place, that I was to edit General Sherman's letters, and ample details were given of arrangements for the future—not a word of which was true.

In the latter part of February, I received a letter from the Citizens' Republican Association of Cincinnati, of which Lewis Voigt was president, the occasion of which is stated in my reply. I knew, from my observation in the summer and fall previous, that a single man held and controlled the Republican nominations in Hamilton county and that he, in effect, had cast ten votes in the Ohio house of representatives—one refusing to obey instructions—and three votes in the senate on the election of a United States Senator, when I knew and they knew that the people of that county were divided in opinion between Foraker and myself, but they had committed themselves to their "boss" to vote for Senator as he should direct, in order to secure his "influence" in the primaries. I knew that if I

answered the letter of the association truly I would be reproached by the timid with the cry "Hush," "Hush," but I felt it was my duty to answer and I did, as follows:

WASHINGTON, D. C., February 29, 1892.

MESSRS. LEWIS VOIGT, Chairman; EVAN EVANS, Secretary, and others:

GENTLEMEN:- Your note of the 22nd inst. is received. You state that you were appointed by a Republican meeting, held at the Lincoln club, that had 'for its object' the overthrow of a gang in Hamilton county who have seized and degraded the 'Republican organization.' You inclose the circular of your executive committee to the Republicans of Hamilton county, proposing an organization of the 'Citizens' Republican Association,' with a view of rebuking corruption and purifying our party 'affairs from offenses and scandalous methods,' and request me to give my opinion of your movement.

While I do not wish to interfere in any way with the methods adopted by the people of Hamilton county to ascertain the popular will, yet I cannot refuse to answer frankly the inquiry of so respectable a body of Republicans who complain that the popular will is defeated by a corrupt gang, using offensive and scandalous methods. My opinion is founded upon information gathered from many of your citizens and the public press of Cincinnati, as well as from your own statement. If I am in error as to existing methods for the control of nominations and the corrupt practices of political managers, your people can correct me and I will be gladly convinced of my error.

I do not see how any self-respecting Republican can differ with you in your effort to secure to the Republican voters of Hamilton county the free and unimpeded selection of candidates for office, without the intervention of a boss or the corrupt use of money to purchase the nominations. As I understand, the substantial control of all local Republican appointments, and nominations to public offices or employments of every grade in Hamilton county, is practically in one man, that it is rare that anyone can secure any place on the Republican ticket, from judge of the highest court in your county, to the least important office, without his consent, that this consent is secured in most cases by the payment of a specific sum of money, that the money so collected is apportioned between the 'boss' and what is called the 'gang,' and used to control the primaries for the election of delegates to your county, state and congressional conventions, and that when any office carries with it patronage it is made the express and implied condition in the nomination of the candidate that this patronage must be transferred to the 'boss.'

I understand also that the appointments made by your local boards, and even by some federal offices, are in effect transferred to the same person to whom applicants are sent and whose recommendation decides the appointment, so that one man controls by corrupt methods nearly all nominations and appointments in Hamilton county, and this rule is only tempered by

occasional respect to public opinion, when the boss thinks it unsafe to disregard it. These methods were strikingly exemplified in the last county convention, when a decided majority of a delegation of ten representatives and three senators were nominated for the Ohio legislature, pledged beforehand to vote for the person to be designated by the boss when the time came for the election of the Senator of the United States. His decision was carefully withheld until the election was over and was then announced. In this way the vote for United States Senator of the most populous city and county in Ohio was, during the canvass, held, as I believe, for sale, not by the persons nominated as Senators and Representatives, who are highly reputable citizens, but by a corrupt organization which was able to control the nominations and practically to exercise the power to vote for United States Senator intrusted to its nominees.

Surely such a condition of public affairs in Hamilton county not only justifies, but makes it imperative, that the Republicans of the county should promptly and fearlessly correct these practices. It does not diminish their responsibility that similar methods are adopted by the Democratic party. A reform by Republicans will compel a reform by Democrats, or leave them in a hopeless minority. Public attention has been called by you to these conditions, but the people alone can furnish the remedy; that is, by general attendance of lawful voters at the primaries, and by the election of delegates who will be controlled in their votes by the wishes of their constituents, and not by the dictates of a boss for a slate ticket prepared and arranged by him, as was done in the last county conventions. There is no rule so obnoxious, so easy to break, as boss rule, and there is no rule so enduring, or so wise, as the unbiased choice and action of a popular assemblage. Since I have been in public life, I have not sought to influence nominations and conventions, and do not wish by this letter to do so, except to join in your appeal to the electors of Hamilton county to assert their right to make nominations and hold conventions, a right too sacred to be delegated to anyone, and especially to one who would sell nominations to elective offices. When the innumerable offices, employments, contracts and labor of a great city, and all the public improvements, are made to contribute to a great corruption fund which is used by a single manager, or, as is apt to be the case, by two managers, one of each party, it tends to destroy the power of the people, to promote extravagance, to increase taxes, and finally to produce riots and violence. Whenever such methods appear in municipal governments, it is the duty of good citizens, without respect to party, to depose the boss and enthrone the people. Very respectfully yours,

JOHN SHERMAN.

I have never regretted writing this letter and its broad publication. Whether a reform has been effected in Hamilton county I do not know, but my caution against bossism in politics may be useful.

CHAPTER LXII.

Second Election of Grover Cleveland.

Opposition to General Harrison for the Presidential Nomination — My Belief That He Could Not Be Elected — Preference for McKinley — Meeting of the National Republican Convention at Minneapolis — Meeting of Republicans at Washington to Ratify the Ticket — Newspaper Comment on My Two Days' Speech in the Senate on the Silver Question — A Claim That I Was Not in Harmony with My Party on the Tariff — My Reply — Opening Speeches for Harrison and Reid — Publication of My "History of the Republican Party" — First Encounter with a "Kodak" — Political Addresses in Philadelphia, New York, Cincinnati, Chicago and Milwaukee — Return to Ohio — Defeat of Harrison.

DURING the spring and summer of 1892, prior to the renomination of General Harrison for President and Whitelaw Reid for Vice President, the choice of candidates was the general subject of comment. A good deal of opposition to General Harrison was developed, mainly, I think, from his cold and abrupt manners in his intercourse with those who had business with him. His ability and integrity were conceded, but he was not in any sense popular. This was apparent especially in New York, the state that nominated him in 1888. During all the period mentioned many names were canvassed, mine among others, but I uniformly declined to be a candidate, and said if I had a vote in the convention it would be cast for Harrison. Some of his friends, especially Charles Foster, complained in published interviews that I had not taken a more active part in securing his nomination. From later developments I became satisfied that Harrison could not be elected, that Platt and a powerful New York influence would defeat him if nominated. I therefore preferred the nomination of a new man, such as William McKinley, but he had committed himself to Harrison, and, according to my code of honor, could not accept a nomination even if tendered him.

The Republican national convention met at Minneapolis on the 7th of June. On the first ballot, Harrison received 535 votes, Blaine 182, McKinley 182, Reed 4, Lincoln 1. The southern states gave Harrison 229 votes and other candidates 69, thus securing to Harrison the nomination. Both Blaine and McKinley promptly acquiesced in the result. I did not think the nomination wise, but was reported, no doubt correctly, as saying to an interviewer:

"The nomination is one I expected to be made in the natural order of things. The attempt to bring out a dark horse against two persons evenly matched, or supposed to be so, is an extremely difficult feat, because any break from one of the leaders would naturally carry a portion of his following to the other leader. Therefore, the nomination of Harrison seemed to be the natural sequence as soon as it appeared that he had a majority over Blaine, which, I think, was apparent from the very beginning. I think that the nomination being made, all will acquiesce in it and try to elect the ticket. There was far more discontent with the nomination four years ago than there is now. Then there were rapid changes made that were to be accounted for only by agreements and compacts made among leading delegates, but that was impossible in this case because the convention was divided between prominent candidates. I think the Republicans in every state will cheerfully acquiesce in the result, and hope and expect that we can elect the ticket."

Soon after the nominations were made, Ohio Republicans in Washington, held a ratification meeting. Alphonso Hart acted as president of the meeting. He said it was not a matter of surprise that there had been a difference of opinion as to candidates at Minneapolis, when the choice was to be made between Harrison, Blaine, McKinley, Reed and Lincoln. Today their followers were all Harrison men. I entered the hall as he was closing and was loudly called on for a speech. I said I had come to hear the young Republicans, McKinley and Foster. I congratulated my hearers upon the bright prospect of Republican success, and declared that Harrison would be elected because he ought to be. The following synopsis of what I said was published in the papers:

"President Harrison was all right. Personally, perhaps, he (the Senator) would have been in favor of McKinley, but there was time enough ahead for him; the future would witness his exaltation. He eulogized McKinley most eloquently and declared him to be one of the greatest and best men in public life. It was the best thing to nominate Benjamin Harrison and the next

thing to do would be to elect him. It made no difference whom the Democrats trotted out against him, he could and would win.

"The Senator said he was getting old now and did not feel like working as he once did. He wanted to take things easy and let the young men exert themselves. 'Let me,' he said, 'play the part of Nestor and talk to you in a garrulous sort of a way; give you good advice, which you do not always heed. Let me wander around like the old farmer and watch the young men toil, but if I can mend an old spoke or repair a broken wheel call upon John Sherman—he will do his best.'"

On the 1st of July I started from Baltimore, by boat, for Boston, for the recreation and air of a short sea voyage. I arrived on the 3rd, and met, as usual, a reporter who asked many questions, among others as to the condition of the silver bill and whether Harrison would approve it if it should pass. I answered, I believed Harrison would veto it, and also believed that if Cleveland was in the chair he would do the same.

Pending this presidential nomination my mind was fully occupied by my duties in the Senate. I made my two days' speech on the silver question, already referred to, when the active politicians were absorbed in what was to happen in the convention at Minneapolis. I quote what was said in papers of different politics, not only as their estimates of the speech, but also of the state of my mind when it was made:

"The two days' speech of Senator Sherman on the Stewart silver bill is undoubtedly the greatest speech he has ever made. More than that, it is probably the greatest speech that ever was made in the Senate on any financial question. It is interesting to note that Mr. Sherman, after speaking two hours and a half on Tuesday, said that he was not at all tired, and was ready to go on and finish then. This was said in reply to a suggestion that the Senate should adjourn. For one who has passed his sixty-ninth year, this is surely a remarkable exhibition of mental and physical powers.

"Such a speech, covering not only the silver question, but the whole range of national finance, cannot be reviewed in detail within the limits of a newspaper article. All that can be said about details is that Mr. Sherman has not merely a well furnished mind on the whole range of topics embraced in his discourse, but so well furnished that there is no point too small to have escaped his attention or his memory.

"Give him a clear field, such as the statesmen and financiers of Europe have, where there are no wrongheaded and befooled constituencies to be reckoned with, and he would be *facile princeps* among them."—New York "Evening Post," June 2, 1892.

HALL AND STAIRCASE OF MR. SHERMAN'S WASHINGTON RESIDENCE.

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OF
CALIFORNIA

"In his latest great speech on free coinage, Senator Sherman, after depicting the inevitable disaster which the silver standard would bring upon the United States—drawing an impressive lesson from the experience of countries having a depreciated silver currency—deals with the subject of bimetallism in his usual lucid way. He has been called a 'gold bug,' and is no doubt willing to accept the epithet if it signifies a belief in the gold standard under present conditions. But he declares himself to be a bimetallist in the true sense of the term.

"What the Senator means by bimetallism is the use of gold and silver and paper money maintained at par with each other; more definitely, the different forms of money of different temporary values must be combined together by the law in some way to make them circulate as equal with each other. This is accomplished now by our laws and the pledge of the government to keep all forms of money at a parity with that form having the greatest intrinsic value. Whether, under the law requiring the purchase of 54,000,000 ounces of silver a year, silver and gold could permanently be maintained at the same value as money, at the existing ratio of sixteen to one, is a matter concerning which the Senator expresses doubt. He would repeal or materially amend the law of 1890. Furthermore, he would change the ratio. The increased production of silver and the consequent decline in price warrant this course, and it is a financial and business necessity if silver is to enter more largely into circulation or into use as the basis of paper."—Cincinnati "Times Star," June 4, 1892.

"In a conspicuous degree Senator Sherman, of Ohio, represents the noblest principles and traditions of the Republican party. He is an astute politician; but, much better than that, he is a wise, public-spirited, broad-minded statesman.

"With regard to the financial and economic principles, which are vital ones, and which must be made the dominating ones of the Republican campaign, Mr. Sherman's opinions and convictions are known to be in harmony with those of shrewdest judgment and wisest, safest counsel. Mr. Sherman is the strongest, most effective defender of the principle of honest money now in public life, and a consistent supporter of the policy of protection.

"Within the last few days Mr. Sherman, in one of the most masterly and cogent arguments ever made in the Senate, has indisputably proved the length, depth and breadth of his preception of true, just, safe financial principles and his unconquerable loyalty to them. At a time when the enemies of an honest, stable currency are seeking to destroy it and to set up in its place a debased, unstable, dishonest currency, the country would accept this exponent of sound, wise finance and a reliable, steadfast currency with extraordinary satisfaction."—Philadelphia "Ledger and Transcript," June 8, 1892.

"While Senator John Sherman's mail is loaded down with letters from all parts of the country in reference to the presidency, while a thousand suggestions reach him from all quarters that after all *he* is not unlikely to be the man upon whom the Minneapolis nomination will light, and while the mass of people are listening with feverish interest for news from the convention, Sherman calmly rises in his place in the Senate and delivers a five hours' speech upon the coinage and the currency, which will not only rank as perhaps the greatest effort of his own life, but will constitute a text-book upon the subject for half a dozen generations to come.

"Men will not read the speech this week; but the unusual circumstances under which it was delivered and the curious spectacle of a great mind discussing so abstract a subject amid the fervid heat and excitement attending a national convention of his own party, will make everybody look up the speech after the convention is over and give it more readers, perhaps, than any speech upon the coinage and the currency ever had since the foundation of the government."—"Ohio State Journal," June 9, 1892.

Soon after the adjournment of Congress, on the 5th of August, I returned to Mansfield. At this time the Boston "Herald" alleged that I was not in harmony with my party on the tariff. This was founded upon an erroneous construction of my reply to Carlisle. The article was called to my attention by W. C. Harding, of Boston, to whom, in reply, I sent the following letter on August 29:

"Your note of the 27th is received. In answer I have to say that the Boston 'Herald' in the article you inclose, has totally misconceived my position on the tariff. I am decidedly in favor of a protective tariff; one framed with a view not only to secure ample revenue for the support of the government, but with a distinct purpose to encourage and protect all productions which can be readily produced in our country. I do not believe that a tariff framed under the doctrine now announced and proclaimed by the Democratic party in its national platform can protect and foster our home industries.

"Mr. Tilden, and the men of his school, believed that the old doctrine of the Democratic party proclaimed in former national platforms and supported by the declarations of Jefferson, Madison and Jackson, was a wise and constitutional exercise of national power. This doctrine has been abandoned and denounced by the Democratic platform recently adopted by the Chicago convention. A tariff framed in accordance with this new doctrine would be confined simply to levying revenue duties, excluding the idea of protection, and that is the purpose and object of the men who made the platform, and of the men in the Democratic convention that adopted it by a large majority.

"Such a tariff might be levied exclusively on articles we cannot produce in this country, such as sugar, coffee and tea. I have believed that as to certain items in different tariffs we have gone beyond the line of protection which is necessary to foster American industries. A few rates have been adopted that I think will exclude competition between foreign and American productions and secure a monopoly to the American manufacturers. This I do not believe to be a wise policy. There are some details of the McKinley tariff bill that may be subject to this objection, but on the whole it is the fairest and best tariff, not only for revenue, but for protection, that has had a place on our statute book. The tariff plank of the Republican convention at Minneapolis is the clearest statement of the extent of protection favored by the great mass of the Republicans of this country.

"The actual result of the McKinley bill has been not only to give to all American industries reasonable protection, but has increased our foreign trade, enlarged our exports and our imports, and greatly encouraged and added to all kinds of American productions, whether of the field or of the workshop. I fear the Boston 'Herald' has overlooked the striking difference between the old position of the Democratic party and the one now proclaimed by that party. The tendency and drift of the Democratic party is now more and more in favor of free trade, and in open opposition to any favor shown by discriminating duties to foster, encourage and diversify American industries."

I attended the state fair at Columbus early in September and met the leading Republicans of the state. I noticed an apparent apathy among them. The issue between the parties was for or against the McKinley tariff. The parties did not differ materially on the silver question, but did differ as between national and state banks. The Democratic party had resolved in favor of the repeal of the tax on state bank circulation, but it was believed that Cleveland would repudiate or evade this dogma. There seemed to be no enthusiasm on either side, but there was less dissatisfaction with the existing administration than is usual during the incumbency of a President. The country was prosperous. The people had confidence in Harrison and the general drift seemed to be in his favor.

In September I wrote an article for the New York "Independent" on "The History of the Republican Party." It was confined chiefly to the contention that the Republican party was an affirmative party, adopting, declaring and executing great public measures of vital importance, while the Democratic party was simply a negative party, opposing all the

Republican party's measures but acquiescing in its achievements. I insert the closing paragraph:

"Republicanism, on the other hand, holds fast to everything that is ennobling and elevating in its history. It is the party of national honor, which has removed the foul reproach of slavery, and redeemed the plighted faith of the government in financial legislation and administration. It is the party of equal rights, an unsullied ballot and honest elections. It is the party of national policies, of comprehensive scope and enlightened self-interest, by which industry is diversified, labor systematically protected, and the prosperity of all classes and sections promoted. Between its present policies and the traditions of its glorious past there is unbroken continuity of patriotic action."

On the 30th of September, I made my first speech in this canvass at North Fairfield. The place, audience, and surroundings gave me special interest in the meeting. Thirty-eight years before, I, then a young man, spoke at the same place, before a similar audience, as a candidate for Congress, nominated by a party then without a name. Now I was about to address an audience chiefly composed of men and women, the children of my old constituents, who had been born since my first appearance there. It is a farming region, well cultivated, and but little changed in appearance by the lapse of years. The great change was the absence, in the grave, of the leading men I had met on my first visit, but they were represented by descendants so numerous that they had to meet in the open grove instead of the simple meeting-house of the olden time. The comparatively few old settlers present who had attended the former meeting, many of whom had been soldiers in the army, greeted me warmly and reminded me of incidents that then occurred. It was natural, under these circumstances, that my speech should be reminiscent; but, in addition to the history of events, I stated—I think fairly—the issues immediately involved—on tariff, currency and coin. I closed my speech with the following reference to the presidency:

"As to your vote for President I do not believe any Republican has any doubt. It does not follow that because a man is President, or nominated as such, he ought to be lauded to the skies. We have in this republic no gods or demigods. I know General Harrison as well as one man

ever knew another after an intimate acquaintance for ten years. He is a man of fine character, so far as I understand, without blemish or reproach. His ability is marked and is now recognized by all parties, I may say, in all parts of the world. He has the lawyer's habit of taking the opposite side of a question, but before he acts he is apt to be on the right side. When in the Senate he did not show the versatility of talent he has exhibited as President. All his utterances have been marked with dignity suited to his high position, yet with delicate appropriateness and precision that will admit no criticism. I have no controversy with Mr. Cleveland. I think he is better than his party. On important and critical questions he has been firmly right. But in the choice between them for the high office to which they aspire no Republican should hesitate to vote for Harrison, and an honest Democrat should, in view of the tendencies of the Democratic party on the questions I have discussed, decide to go and do likewise."

The next meeting of note that I attended was at the Academy of Music in Philadelphia. I do not recall any meeting that I ever addressed within four walls more striking and impressive than this, not only in numbers and intelligence, but in apparent sympathy with the speaker. Of the persons mentioned by me those who received the loudest applause were in their order Blaine, McKinley and Harrison. In opening I said:

"When I was invited to speak to you I was told that this was to be a meeting of business men, to consider business questions involved in a presidential election. I will, therefore, confine myself to business issues distinctly made between the two great political parties of our country. The people of this city of Philadelphia, the greatest manufacturing city on the American continent, are as well, or better, prepared to decide these issues wisely as any other equal number of American citizens. I assume you are not much troubled with third parties. The temperance question will be settled by each individual to suit himself. The only Farmers' Alliance I know of here is the Farmers' club, who dine sumptuously with each other as often as they can and differ with each other on every subject. I assume that you are either Republicans or Democrats, that you are for Benjamin Harrison or Grover Cleveland.

"The questions involved, in which you are deeply interested, are whether duties on imported goods should be levied solely with a view for revenue to support the government, or with a view, not only to raise revenue, but to foster, encourage and protect American industries; whether you are in favor of the use of both gold and silver coins as money, always maintained at parity with each other at a fixed ratio, or of the free coinage of silver, the cheaper money, the direct effect of which is to demonetize gold and reduce the standards of value of your labor, productions and property fully one-third; whether

you are in favor of the revival and substitution of state bank paper money in the place of national money now in use in the form of United States notes, treasury notes and certificates, and the notes of national banks.

"These are business questions of vital interest to every wage earner, to every producer and to every property owner, and they are directly involved in the election of a President and a Congress of the United States. Surely they demand the careful consideration of every voter. They are not to be determined by courts or lawyers or statesmen, but by you and men like you, twelve million in number, each having an equal voice and vote."

The body of my speech was confined to the topics stated. I closed with the following reference to Harrison and Cleveland:

"The Republican party has placed Benjamin Harrison in nomination for reëlection as President of the United States. He is in sympathy with all the great measures of the Republican party. He fought as a soldier in its ranks. His sympathies are all with his comrades and the cause for which they fought.

"He has proven his fitness for his high office by remarkable ability in the discharge of all its duties. He heartily supports the principles, past and present, of his party. He has met and solved every question, and performed every duty of his office. His administration has been firm, without fear and without reproach. I do not wish to derogate in the slightest degree from the merits of Mr. Cleveland. His highest merit is that he has checked, in some respects, the evil tendencies of his party; but he was not in active sympathy with the cause of the Union in the hour of its peril, or with the men who fought its battles. He is opposed to the protection of American industries. He supports, in the main, the doctrines and tendencies of the Democratic party.

"We believe that the honor, safety, and prosperity of our country can be best promoted by the election of a Republican President and Vice President, and a Republican Congress, and, therefore, I appeal to you to give to Benjamin Harrison and Whitelaw Reid, his worthy associate, and to your candidates for Congress, your hearty and disinterested support."

It was at this meeting that for the first time I encountered the kodak. The next morning the "Press," of Philadelphia, illustrated its report of the speech with several "snap shots" presenting me in various attitudes in different parts of the speech. I thought this one of the most remarkable inventions of this inventive age, and do not yet understand how the pictures were made. The comments of the daily papers in Philadelphia were very flattering, and perhaps I may be excused for

inserting a single paragraph from a long editorial in the "Press" of the next day, in respect to it:

"His speech is a calm, luminous and dispassionate discussion of the business questions of the canvass. It is preëminently an educational speech which any man can hear or read with profit. Senator Sherman excels in the faculty of lucid and logical statement. His personal participation in all our fiscal legislation gives him an unequaled knowledge both of principles and details, and he is remarkably successful in making them clear to the simplest intelligence. The contrast between his candid, sober and weighty treatment of questions, and the froth and fustian which supply the lack of knowledge with epithets of 'fraud' and 'robbery' and 'cheat,' is refreshing."

On Monday evening, the 11th of October, I spoke in Cooper Union in the city of New York. It was an experiment to hold a political meeting on the eve of a day devoted to Columbian celebrations and a night to magnificent fireworks, but the great auditorium was filled, and among the gathering was a large number of bankers and business men interested in financial topics. I was introduced to the audience in a very complimentary manner by Mr. Blanchard, president of the Republican club, and was received with hearty applause by the audience. I said:

"Ladies and gentlemen, I congratulate the Republicans of the State of New York that at last we have brought the Democratic party to a fair and distinct issue on questions involved in the presidential campaign. Now for more than thirty years that party has been merely an opposition party, opposed to everything that we proposed, and having no principles or proposition of their own to present. They declared the war a failure; they were opposed to the homestead law, they were opposed to the greenback; they were opposed to everything that we did, but now, thank God, they have agreed to have one or two or three issues to be determined by the people."

I then stated the issues involved in the canvass in very much the same terms as in Philadelphia, but the speech in New York was made without notes and was literally reported in the "Tribune," while the Philadelphia speech was prepared and followed as closely as possible, without reference to manuscript. I have now read the two speeches carefully, and while the subject-matter is the same in both, the language, form and connection are as different as if delivered by two distinct persons who had not conferred with each other. My long experience

convinces me that while it is safe for a person to write what he intends to say, yet it is better to carefully study the subject and then to speak without reference to notes or manuscript. This depends, however, upon the temperament and poise of the speaker. Nothing is more discouraging to an audience than to hear a speech read, except it be the attempt to speak off-hand by a person who has not acquired a full knowledge of the subject-matter and does not possess the art of recalling and arranging the method of his address.

I believe my speech in New York covered all the issues involved in the canvass fairly and fully stated. I arraigned the Democratic party, especially for its declaration in 1864 that the war was a failure, when Grant was holding on with his deadly grip, and when Sherman and Sheridan were riding to battle and to victory. This declaration was more injurious to the Union cause than any victory by the Confederates during the war. I closed with the following reference to the respective candidates:

"The Republican party has nominated for President, Benjamin Harrison. When a lawyer in full practice, the sound of the enemy's guns came to his ears, the call of Lincoln filled his heart, and he entered the army. He fought through the war, a brave and gallant soldier. He returned again to his profession and to his wife and child, living in a quiet suburb of Indianapolis. He gradually became recognized as an able lawyer, and was finally sent to the Senate. For six years he sat by my side. I know him as well as I know any man. He is without stain or blemish. He is a man of marked ability, an able debater. He has grown greatly since he has been President of the United States. His speeches are models of propriety and eloquence. In every act of his life while President he has come up to the full standard and measure of that great office. If there was a controversy with foreign powers, the strongest in the world or the weakest, he was fair and just, but firm and manly.

"His worthy associate is Whitelaw Reid, of your city. He has been placed on the ticket by the side of Harrison. He is an honorable man. I knew him when he was a young reporter, making his living as best he could, and helping his father and mother. He has shown himself worthy the honor conferred upon him by the Republican party.

"Now, I have nothing to say against Mr. Cleveland. I am not here to belittle any man. I have sometimes thought he is better than his party, because he has stood up firmly on occasion in resistance of some of their extreme demands; but there is this to be said of him, that he was a man full

grown at the opening of the war, an able-bodied man when the war was on. I have never known, nor has it ever been proved, that he had any heart for or sympathies with the Union soldier or the Union cause.

"I know Harrison, from the top of his head to the bottom of his feet, was in that cause. I do not see how any patriotic man, who was on the side of his country in the war, can hesitate to choose Harrison rather than Cleveland."

I returned from New York to Cincinnati, where I had agreed to speak in Turner Hall on the 14th of October. This hall had long been a place for public meetings. It is situated in the midst of a German population and is their usual place for rendezvous. They had recently greatly improved and enlarged it, and wished me to speak in it as I had frequently spoken in the old hall. It was well filled by an intelligent audience, nearly all of whom were of German birth or descent. They were, as a rule, Republicans, but they were restive under any legislation that interfered with their habits. They drank their beer, but rarely consumed spirituous liquors, and considered this as temperance. With their wives and children, when the weather was favorable, they gathered in open gardens and listened to music, in which many of them were proficient. Such was my audience in Turner Hall. I spoke to them on the same topics as I did to purely American audiences, and to none who had a better comprehension and appreciation of good money of uniform value, whether of gold, silver or paper.

From Cincinnati I went to Chicago. I had been invited by Jesse Spalding, a leading business man in that city, to make an address at Central Music Hall on the evening of the 22nd of October. As I was to attend the dedication, on that day, of the Ohio building in the grounds of the World's Columbian Exposition, I accepted the invitation of Mr. Spalding. I regarded it as a bold movement on the part of business men to call such a meeting in the midst of the excitement and hurry of the dedication of the great buildings of the World's Fair. Still, that was their business and not mine. I carefully outlined the points I wished to make, something like a lawyer's brief, and had the order of topics clearly arranged and engraved on my mind. I determined to use no word that would not be understood by every man who heard me, and to avoid technical phrases.

When the hour appointed arrived I was escorted to the place assigned me, and faced an audience that filled the hall, composed of men of marked intelligence who could and would detect any fault of logic or fact. The speech was fairly reported in the Chicago papers, and was kindly treated in their editorial columns. After a brief reference to the Exposition buildings and the great crowd that had witnessed their dedication, and the wonderful growth of Chicago, I said:

"You will be called upon in a short time to elect a President of the United States who will be armed with all the executive authority of this great government, and also a Congress which will have the delegated power, for two years, to make laws for the people of the United States.

"Now, there is a contest in this country, not between small parties, but between great parties. I take it that in this intelligent audience it is not necessary for me to discuss the temperance party or the farmers' party. The best temperance party is the individual conscience of each citizen and inhabitant of the United States. As for the farmers' party, the Republican party has been the farmers' party as well as the people's party since the beginning of its organization in 1856. The controversy is between the two, the Democratic and Republican parties, as they have named themselves.

"The Democratic party has a very popular name. It means a government through the people. But the Republican party has a still more popular name. It is a government by the representatives of the people, and that name expresses more distinctly the true nature of our government than the name Democratic, but the Democratic party has forfeited for more than thirty years the very name of the Democratic party, and ought now to be christened the Confederate Democracy of America."

The "Tribune" and "Inter-Ocean" had friendly editorial articles about the meeting, and the "Tribune" especially, which in times past was very far from being partial to me, expressed this opinion of the meeting and speech:

"It was a test of the capacity of Chicago for great popular gatherings, and a demonstration of its interest in political affairs, that, after a week of civic celebration, upon a scale more colossal than this country has ever witnessed before and calling for the maximum of effort and endurance, Central Music Hall was crowded from gallery to parquet, Saturday night, with thousands of business men and others who are interested in the great issues of the political campaign, to listen to the address of the Hon. John Sherman, of Ohio. It was something more than an exposition of Chicago's vital interest in these issues. It was a personal compliment and a rare expression of the popular confidence in the veteran Senator, this immense and enthusiastic

gathering of substantial citizens after the absorbing and exacting duties of the week. It testifies eloquently to the enthusiasm and determination of Chicago Republicans in the pending campaign.

"It is no derogation of Senator Sherman's abilities to say one does not look to him for the eloquent periods of the orator that carry away audiences on waves of enthusiasm. His strength lies in his convincing statement, his cogency of argument, his array of facts, and his powerful logic. No man in the United States, perhaps, is better qualified to speak upon the issues of this campaign than Senator Sherman. He appeals to the thought and reason of his hearers, and he never appeals in vain, and rarely has he made a stronger appeal than in his Music Hall speech. The three issues discussed by him were wildcat currency, the silver question, and the protective tariff question. His discussion of the wildcat currency was exhaustive, and he pictured the evils that must flow from its resumption in forcible and convincing terms."

On the 25th of October, Senator W. P. Frye, of Maine, and I spoke at Schlitz's amphitheater in Milwaukee. The notice had been brief, but the attendance was large. The audience was composed chiefly of German Republicans. Frye and I had divided the topics between us. He spoke on the tariff and I on good money. On the latter subject the people before us were united for a sound currency, all as good as gold and plenty of it. I made my speech first, but Frye made a better one on the tariff, upon which they were somewhat divided. Such a division of opinion is an advantage to the speaker, and Frye availed himself of it by making an excellent and interesting address. The speeches were well reported the next morning, an evidence of enterprise I did not expect.

After my return from Milwaukee to Ohio I made several speeches prior to the election. While the Republican meetings were large, I could not overlook the fact that the Democratic meetings were also large, that the personality of Cleveland, and his autocratic command of his party, kept it in line, while his firm adherence to sound financial principles, in spite of the tendency of his party to free coinage and irredeemable money, commanded the respect of business men, and secured him the "silent vote" of thousands of Republicans.

In Ohio the Republican party barely escaped defeat, the head of the ticket, Samuel M. Taylor, the candidate for secretary of state, receiving but 1,089 plurality. The national

ticket did not fare quite so well, receiving but 1,072 plurality, and, for the first time since the election of Franklin Pierce in 1852, Ohio cast one Democratic electoral vote, the remaining twenty-two being Republican. Cleveland and Stevenson received 277 electoral votes, and Harrison and Reid 145.

Harrison did not receive the electoral vote of any one of the southern states that were mainly responsible for his nomination, nor of any one of the doubtful states in the north that contributed to that result, including Indiana, where he resided, and which went Democratic by a plurality of 7,125.

As a rule the states that voted in the convention for Blaine and McKinley gave Harrison their electoral vote. The Democrats elected 220 Members of the House of Representatives, the Republicans 126 and the People's party 8.

The result was so decisive that no question could be made of the election of Cleveland. The causes that contributed to it might have defeated any Republican. It is not worth while to state them, for a ready acquiescence in the result of an election by the American people is the conservative element of our form of government that distinguishes it from other republics of ancient or modern times.

CHAPTER LXIII.

Attempts to Stop the Purchase of Silver Bullion.

My Determination to Press the Repeal of the Silver Purchasing Clause of the "Sherman Act"—Reply to Criticisms of the Philadelphia "Ledger"—Announcement of the Death of ex-President Hayes—Tribute to His Memory—Efforts to Secure Authority to the Secretary of the Treasury to Sell Bonds to Maintain the Resumption of United States Notes—The Senate Finally Recedes from the Amendment in Order to Save the Appropriation Bill—Loss of Millions of Dollars to the Government—Cleveland Again Inducted Into Office—His Inaugural Address—Efforts to Secure an Appropriation for the "World's Fair"—Chicago Raises $11,000,000—Congress Finally Decides to Pay the Exposition $2,500,000 in Silver Coin—I Attend the Dedication of the Ohio Building at the Fair—Address to the Officers and Crew of the Spanish Caravels.

SOON after the election, and before the meeting of Congress, I announced my purpose to press the repeal, not of the entire law misnamed the "Sherman act," but of the clause of that act that required the purchase by the United States of 4,500,000 ounces of silver bullion each month. I had, on July 14, 1892, introduced a bill for that purpose which was referred to the committee on finance. I feared to press it pending the presidential election, lest the agitation of the subject at that time should lead to the adoption of free coinage. During the short session of that Congress, which met on the 5th of December, I did not think it wise to urge this bill though strongly pressed to do so. A majority of the Senate were in favor of free coinage, and I was not sure but the House, disorganized by the recent election, might not concur, and the President either approve it or permit it to become a law without his signature. When criticised for my delay by the "Ledger" of Philadelphia, I replied, on the 14th of January, 1893, as follows:

"It is as well known as anything can be that a large majority of the Republican Senators, including myself, are decidedly in favor of the repeal

or suspension of the purchase of silver bullion. They are ready to-day, to-morrow, or at any moment, to vote for such repeal. It is equally well known that not more than one-fourth or one-fifth of the Democratic Senators are in favor of such repeal, and they will resort to extreme measures to prevent it. They are openly pronounced for the free coinage of silver or the continuation of the existing law. The pretense made that Republican Senators would sacrifice the public interests for a mere political scheme is without foundation, and I feel like denouncing it. If the Democratic party will furnish a contingent of ten Senators in support of the repeal of the silver act of 1890, it will pass the Senate within ten days. The Democratic party, as now represented in the Senate, is, and has been, for the free coinage of silver. I hope the eastern Democracy and Mr. Cleveland may have some influence in changing their opinions."

Subsequent events proved the wisdom of this delay.

On January 17, 1893, I reported from the committee on finance the bill referred to. On the 3rd of February the question of the repeal of this silver purchasing clause was incidentally brought to the attention of the Senate by Mr. Teller, who announced that it was not among the possibilities that it would be repealed at that session. I took this occasion to explain that the reason why I had not previously moved to take this bill up was that I was not satisfied there was a majority in favor of its passage. The question why it was not taken up had been frequently discussed in the newspapers, but I did not consider it my duty to make such a motion when it would merely lead to debate and thus consume valuable time, though any other Senator was at liberty to make the motion if he chose to do so. A motion to take it up was subsequently made by Senator Hill and defeated by a vote of yeas 23, nays 42.

No action was taken on the bill, and I only mention it in view of subsequent events.

Immediately after the Senate convened on the 18th of January, 1893, I arose and announced the death of ex-President Hayes in the following terms:

"It becomes my painful duty to announce to the Senate the death of Rutherford Birchard Hayes, at his residence in Fremont, Ohio, last evening at eleven o'clock. By the usage of the Senate, when one who has been President of the United States dies during the session of the Senate, it has, as a mark of respect to his memory, recorded his death upon its journal and suspended its duties for the day.

"President Hayes held high and important positions during his life, having been a gallant and distinguished Union soldier during the war, a Member of Congress, three times Governor of the State of Ohio, and President of the United States. He was a man of marked ability, untarnished honor, unblemished character, and faithful in the discharge of all his duties in every relation of life, against whom no word of reproach can be truthfully uttered.

"It was my good fortune to know President Hayes intimately from the time we were law students until his death. To me his death is a deep personal grief. All who had the benefit of personal association with him were strengthened in their attachment to him and in their appreciation of his generous qualities of head and heart. His personal kindness, and sincere, enduring attachment for his friends, was greater than he displayed in public intercourse. He was always modest, always courteous, kind to everyone who approached him, and generous to friend or foe. He had no sympathy with hatred or malice. He gave every man his due according to his judgment of his merits.

"I, therefore, as is usual on such occasions, move that the Senate, out of respect to the memory of President Hayes, do now adjourn."

In this formal announcement of the death of ex-President Hayes, I followed the usual language, but it did not convey my high appreciation of his abilities, nor my affectionate regard for him. This I have done in previous pages. His life was stainless; his services in the army and in civil life were of the highest value to his state and country; he was an affectionate husband, father and friend, and, in all the relations of life, was an honorable man and a patriotic citizen.

On February 17, I offered an amendment to the sundry civil appropriation bill authorizing the Secretary of the Treasury, at his discretion, to sell three per cent. bonds, redeemable in five years from date, to enable him to provide for and maintain the redemption of United States notes, according to the provisions of the resumption act of January 14, 1875, to the extent necessary to carry that act into full effect. I stated in explanation of this provision that its object was to enable the Secretary of the Treasury, in case an emergency should arise making a sale of bonds necessary, to issue a three per cent. bond redeemable at the pleasure of the United States after five years instead of a four per cent. bond running thirty years, or a four and a half per cent. bond running fifteen years, or a five

per cent. bond running ten years, which were the only bonds he could sell under existing law.

After a long debate the amendment was agreed to by the vote of 30 yeas and 16 nays. It was not agreed to by the House and the question presented was whether the Senate would recede from the amendment. I regarded this provision as of vital importance, and urged the Senate to insist upon the amendment, not only as an act of wise public policy, but as one of justice to the incoming administration. In discussing this proposition, on the 1st of March, I said:

"This conference report presents for our consideration again a question of the importance, necessity, and propriety of the amendment known as the bond amendment which I had the honor to offer, and which had the sanction of the committee on finance of this body and of a very large majority of the Senate; but for want of time and the multitude of amendments pending there has been no vote in the House of Representatives which enables us to know what is the real opinion of that body on the subject. I can say no more on that point except to express the confident belief that if the vote had been taken the House would have concurred in the amendment.

"I think it is due to us and due to the committee of which I am a member that the exact history of that amendment shall be stated, and then the Senate may act upon it as it sees proper."

I then quoted the amendment as follows:

"To enable the Secretary of the Treasury to provide for and to maintain the redemption of United States notes according to the provisions of the act approved January 14, 1875, entitled 'An act to provide for the resumption of specie payments,' and, at the discretion of the secretary, he is authorized to issue, sell, and dispose of, at not less than par in coin, either of the description of bonds authorized in said act, or bonds of the United States bearing not to exceed three per cent. interest, payable semi-annually and redeemable at the pleasure of the United States after five years from their date, with like qualities, privileges, and exemptions provided in said act for the bonds therein authorized, to the extent necessary to carry said resumption act into full effect, and to use the proceeds thereof for the purposes provided in said act and none other."

Continuing, I said that the resumption act referred to in the amendment contained an important stipulation, the clause of the resumption act which enabled the secretary to maintain specie payments, and which is as follows:

"To enable the Secretary of the Treasury to prepare and provide for the redemption in this act authorized or required, he is authorized to use any surplus revenues, from time to time, in the treasury, not otherwise appro-

priated, and to issue, sell, and dispose of, at not less than par, in coin, either of the descriptions of bonds of the United States described in the act of Congress approved July 14, 1870, entitled 'An act to authorize the refunding of the national debt,' with like qualities, privileges, and exemptions, to the extent necessary to carry this act into full effect, and to use the proceeds thereof for the purposes aforesaid."

I then had read to the Senate the character and description of bonds authorized to be issued under what is called the refunding act, referred to in the resumption act, as follows:

"That the Secretary of the Treasury is hereby authorized to issue, in a sum or sums not exceeding in the aggregate $200,000,000, coupon or registered bonds of the United States, in such form as he may prescribe, and of denominations of $50, or some multiple of that sum, redeemable in coin of the present standard value, at the pleasure of the United States, after ten years from the date of their issue, and bearing interest, payable semi-annually in such coin, at the rate of five per cent. per annum; also, a sum or sums not exceeding in the aggregate $300,000,000 of like bonds, the same in all respects, but payable, at the pleasure of the United States, after fifteen years from the date of their issue, and bearing interest at the rate of four and a half per cent. per annum; also, a sum or sums not exceeding in the aggregate $1,000,000,000 of like bonds, the same in all respects, but payable, at the pleasure of the United States, after thirty years from the date of their issue, and bearing interest at the rate of four per cent. per annum."

Resuming my argument, I said:

"It is apparent from these laws, which are fundamental in their character, that the secretary has imposed upon him not merely the privilege but the duty of maintaining or providing for the resumption of specie payments and the maintenance of the specie standard in gold and silver coin. He is also authorized by a subsequent act, which I do not care to have read because it is not necessary, to maintain $100,000,000 in gold in the nature of a redemption fund, or rather that was the minimum limit provided in the law. In order to perform this grave duty the Secretary of the Treasury was authorized, at his discretion, whenever necessary to obtain the coin required, to issue a bond bearing four per cent. interest running for thirty years, or a bond bearing four and a half per cent. interest running fifteen years, or a bond bearing five per cent. interest running ten years.

"It has been feared—I do not say that there has been occasion for this fear—that the Secretary of the Treasury cannot maintain the necessary resumption fund; that he may have to resort to the credit of the government, upon which all the greenback issues of the United States notes and bonds are founded; that he might have to resort to the sale of bonds to obtain money, in order to maintain the parity of the different forms of money in this

country and the redemption or payment in coin, when demanded, of the obligations of the United States, especially the United States notes, commonly called greenbacks.

"When I came, in examining this question, to see whether or not the law enacted in 1875 was applicable to the condition of affairs in 1893, it was apparent to me, as it must have been to every man, however ignorant he might be of the principles of finance, that the conditions of our country were such that we would not be justified, by public opinion or by the interests of our people, to sell a bond bearing four or four and a half or five per cent. interest.

"Therefore, it was manifest to me, as it would be manifest to anyone who would look at the question without any feeling about it at all, that if we could borrow money at three per cent. on bonds running for five years or for a short period of time, always reserving our right to redeem these bonds within a short period, it would save a vast sum to the people of the United States, at least one-fourth of the interest on the bonds, and we would save more by the right to redeem them if a favorable turn in the market should enable us to do so.

"I feel that it is a matter of public duty which I am bound to perform, as being connected with the refunding laws and the resumption act, that I should endeavor to make suitable provision for the next Secretary of the Treasury. I knew this law could not take effect until about the time the present secretary would go out, when the new secretary would come in. Therefore, I drew this amendment as it now stands, and it was submitted to the incoming Secretary of the Treasury. He having been formerly a member of the committee on finance and a Member of the Senate, and being familiar with us all, came before the committee on finance and there stated the reasons why, in his judgment, it might become, in case of exigency, important for him to have the power to issue a cheaper bond.

"He expressed the hope and belief, and I am inclined to agree with him, that it might not be necessary to issue these bonds at all, but that when the emergency came he must meet it as quickly as a stroke of lightning; there must be no hesitation or delay; if there should be a disparity between the two metals, or a run upon the government for the payment of the United States notes, he must be prepared to meet this responsibility in order to obtain coin with which to redeem the notes. That statement was submitted to the committee on finance in the presence of the honorable gentleman who is to hold the high and distinguished office of Secretary of the Treasury."

I proceeded at considerable length to state the difficulties the treasury must meet in consequence of the large increase of treasury notes issued for the purchase of silver bullion. The Senate fully appreciated the importance of the amendment, but in the hurry of the closing days of the session it was

said that to attempt to reach a vote upon it in the House of Representatives would endanger the passage of the appropriation bill, and therefore the Senate receded from the amendment. It is easy now to see that its defeat greatly embarrassed the new administration and caused the loss of many millions by the sale of long term bonds at a higher rate of interest than three per cent.

On the 4th of March, 1893, Grover Cleveland was sworn into office as President of the United States, and delivered his inaugural address. It was a moderate and conservative document, dealing chiefly with axioms readily assented to. Its strongest passages were in favor of a sound and stable currency. He said the danger of depreciation in the purchasing power of the wages paid to toil should furnish the strongest incentive to prompt and conservative precaution. He declared that the people had decreed that there should be a reform in the tariff, and had placed the control of their government, in its legislative and executive branches, with a political party pledged in the most positive terms to the accomplishment of such a reform, but in defining the nature or principles to be adopted he was so vague and indefinite that either a free trader or a protectionist might agree with him. He said:

"The oath I now take to preserve, protect, and defend the constitution of the United States, not only impressively defines the great responsibility I assume, but suggests obedience to constitutional commands as a rule by which my official conduct must be guided. I shall, to the best of my ability, and within my sphere of duty, preserve the constitution by loyally protecting every grant of federal power it contains, by defending all its restraints when attacked by impatience and restlessness, and by enforcing its limitations and restrictions in favor of the states and the people."

This was a promise broad enough to cover the McKinley bill or the Wilson bill. I do not criticise the address, for an inaugural should contain nothing but thanks and patriotism.

The chief interest at this period centered in the World's Fair at Chicago, to celebrate the quadro-centennial of the discovery of America by Columbus. Such a celebration was first proposed as early as 1887, to be in the nature of an intellectual or scientific exposition that would exhibit the progress of our

growth, and to take place at Washington, the political capital, under the charge of the national authorities. As the matter was discussed the opinion prevailed that the exposition should be an industrial one, and the choice of location lay between Chicago, New York and St. Louis. I was decidedly in favor of Chicago, as the typical American city which sprang from a military post in 1837, survived the most destructive fire in history, and had become the second city of the continent, and, more than any other, represented the life, vigor and industry of the American people. The contention about the site delayed the exposition one year, so that the discovery of 1492 was not celebrated in 1892, but in the year following. This was the first enterprise undertaken by Chicago in which it was "behind time," but it was not the fault of that city, but of Congress, which delayed too long the selection of the site. I was a member of a select committee on the quadro-centennial appointed in January, 1890, composed of fifteen Members of the Senate. On the 21st of April, 1890, a bill was pending in the Senate appropriating $1,500,000 from the treasury of the United States to pay the expense of representing the government of the United States in an exposition in Chicago, in 1893. I made a speech in defense of the appropriation and stated the benefits of such an exposition as shown by one in London and two in Paris that I attended. While the receipts at the gates for attendance did not in either case cover the expense, yet the benefits derived, both by the cities and countries in which they were held, greatly exceeded all expenses and left great buildings of permanent value, such as the Crystal Palace at Sydenham, and still more valuable buildings at Paris. I referred to the centennial exposition at Philadelphia in 1876, and to the innumerable state, county and city fairs in all parts of the United States, all of which were of great value to the places where held. These gatherings had revolutionized the social habits and greatly improved the manners and intelligence of our people, and are likely to increase in number in the future. The bill passed, but not without serious opposition, and upon terms extremely onerous to Chicago.

This course of opposition continued until August, 1892. The people of Chicago had raised the enormous sum of $11,000,000 without the certainty of any return. All nations had been invited, and were preparing to be represented at this exposition. The attention of mankind was excited by the enterprise of a city only fifty years old, of more than a million inhabitants, erecting more and greater buildings than had ever been constructed for such a purpose. The United States had not contributed to the general expense, but had appropriated a sum sufficient to provide for its own buildings in its own way, precisely on the footing of foreign powers. It became necessary to borrow more money, and Congress was requested to loan the exposition the sum of $5,000,000, to be refunded out of receipts, in the same proportion as to other stockholders. This was declined, but it was enacted that the United States would coin $2,500,000 in silver, and pay the exposition that coin. Whether this was done because silver bullion could be purchased for about $1,500,000 sufficient to coin $2,500,000, or to make a discrimination against the fair, I do not know. On the 5th of August, 1892, I expressed my opposition to this measure. Both Houses were remaining in session to settle the matter, and the President was delayed in Washington, when, by reason of domestic affliction, he ought to have been elsewhere. I said: "Under the circumstances, I do not see anything better to be done than to allow the bill to pass. If I was called upon on a yea and nay vote I should vote against it."

On the 22nd of October, 1892, I attended the dedication of the building erected by the State of Ohio, on the exposition grounds. The structure, though not entirely completed, was formally dedicated, and the keys were duly delivered to Governor McKinley. On receiving the keys he made a very appropriate address. I was called for by the crowd, and was introduced by Major Peabody, president of the State Board of Managers. I do not recall the words of my speech, nor was it, or the various speeches made on this occasion, reported; but I no doubt said the United States was the greatest power on earth, and Ohio was its garden spot. I made a political speech that evening at Central Music Hall, as previously stated.

Among the objects of the greatest interest at the exposition were three Spanish caravels, the exact counterparts of the Santa Maria, the Nina and the Pinta, the vessels with which Columbus made his memorable voyage of discovery. These reproductions were made by Spaniards at the place from which the original vessels sailed, and, manned by Spanish sailors, followed the same course pursued by Columbus to the islands he discovered and from thence sailed to the mouth of the St. Lawrence, and following up that stream passed through Lake Ontario, The Welland Canal, Lakes Erie, Huron and Michigan, to Chicago, more than 1,000 miles from the Atlantic Ocean. I had been invited by the managers of the exposition to deliver an address of welcome to the officers and sailors of these vessels, on their arrival at Chicago on the 7th of July, 1893. They were received by the managers and a great crowd, and conducted to a stand in the park of the exposition, where I made my address, too long to insert here, but I quote a few paragraphs:

"Mr. President, Captain Concas and the Officers and Mariners Under His Command:—You have before you men and women of all races and climes. They have met to share in this great exposition of the industries of all nations. To-day they celebrate the discovery of America by Christopher Columbus and the arrival here of the marine fleet under your command, manned by the countrymen of those who made the discovery of the new world.

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"We have before us the reproduction of the Santa Maria, the Pinta and the Nina, the three vessels that made this memorable voyage. They are sent to us by the same chivalrous and gallant people who built the original craft and manned and sailed them under the command of Columbus. They are striking object lessons that speak more eloquently than voice or words. We welcome them to this exposition of the industries of the world. Here, on the waters of this inland sea, 1,000 miles from the ocean traversed by Columbus, in this city, the most marvelous result of the industry and energy of mankind, we place this mimic fleet side by side with the monsters that have come from the inventive genius of the American people, not to extol our handiwork, but to extol the men who, four hundred years ago, with such feeble means and resources, opened the way to all the achievements of succeeding generations. You can look at them where they quietly rest upon the waters of the great northwest. In such as these one hundred and twenty men sailed on an unknown ocean, they knew not where. They

lived where for two thousand years the pillars of Hercules had marked the end of the world. They had been taught to believe in the four corners of the earth, and that all beyond was a boundless waste of waters, into which no one had ventured beyond the Canary Islands and the coast of Africa.

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"We welcome all the peoples of the earth, with their varied productions, to the full and free enjoyment of their habits at home, and in return exhibit to them the results of our growth and industry. In no boastful spirit this new and marvelous city, which has sprung into existence within the life of men who hear me, has, with the aid of the general government and the states that comprise it, built these great palaces, adorned these lately waste places and brought into them the wonderful facilities of transportation invented in modern times. Welcome all, but on this day we doubly welcome these mementos of the voyage of Columbus to this western world.

"In the name of the managers of this exposition I give thanks and welcome to all who have brought them here, and especially to the government and people of Spain, who have thus contributed to the interest and success of this exposition."

CHAPTER LXIV.

Repeal of Part of the "Sherman Act" of 1890.

Congress Convened in Extraordinary Session on August 7, 1893—The President's Apprehension Concerning the Financial Situation—Message from the Executive Shows an Alarming Condition of the National Finances—Attributed to the Purchase and Coinage of Silver—Letter to Joseph H. Walker, a Member of the Conference Committee on the "Sherman Act"—A Bill I Have Never Regretted—Brief History of the Passage of the Law of 1893—My Speech in the Senate Well Received—Attacked by the "Silver Senators"—General Debate on the Financial Legislation of the United States—Views of the Washington "Post" on My Speech of October 17—Repeal Accomplished by the Republicans Supporting a Democratic Administration—The Law as Enacted—Those Who Uphold the Free Coinage of Silver—Awkward Position of the Democratic Members—My Efforts in Behalf of McKinley in Ohio—His Election by 81,000 Plurality—Causes of Republican Victories Throughout the Country.

ON the 30th of June, 1893, the President issued a proclamation convening Congress in extraordinary session on the 7th of August. In reciting the reasons for this unusual call, only resorted to in cases of extreme urgency, he said that "the distrust and apprehension concerning the financial situation which prevades all business circles have already caused great loss and damage to our people, and threaten to cripple our merchants, stop the wheels of manufacture, bring distress and privation to our farmers, and withhold from our workingmen the wage of labor;" that "the present perilous condition is largely the result of a financial policy which the executive branch of the government finds embodied in unwise laws which must be executed until repealed by Congress;" and that Congress was convened "to the end that the people may be relieved, through legislation, from present and impending danger and distress."

Congress met in pursuance of the proclamation, and on the 8th of August the President sent a message to each House, in

which he depicted an alarming condition of the national finances, and attributed it to congressional legislation touching the purchase and coinage of silver by the general government. He said:

"This legislation is embodied in a statute passed on the 14th day of July, 1890, which was the culmination of much agitation on the subject involved, and which may be considered a truce, after a long struggle, between the advocates of free silver coinage and those intending to be more conservative."

He ascribed the evil of the times to the monthly purchase of 4,500,000 ounces of silver bullion, and the payment therefor with treasury notes redeemable in gold or silver coin at the discretion of the Secretary of the Treasury, and to the reissue of said notes after redemption. He stated that up to the 15th of July, 1893, such notes had been issued for the purpose mentioned to the amount of more than $147,000,000. In a single year over $40,000,000 of these notes had been redeemed in gold. This threatened the reserve of gold held for the redemption of United States notes, and the whole financial system of the government. No other subject was presented in the message of the President, and Congress had to face the alternative of the single standard of silver, or the suspension of the purchase of silver bullion.

I had foreseen this inevitable result and had sought, as far as possible, to avoid it by the inserting of sundry provisions in the act of July 14, 1890. No portion of that act was objected to by the President except the clause requiring the purchase of silver bullion and the issue of treasury notes in payment for it. In this I heartily concurred with him. From the date of the passage of that law, to its final repeal, I was opposed to this compulsory clause, but yielded to its adoption in preference to the free coinage of silver, and in the hope that a brief experience under the act would dissipate the popular delusion in favor of free coinage. Joseph H. Walker, of Massachusetts, a prominent Member of the House of Representatives, who was one of the conferees with me on the bill referred to, and agreed with me in assenting to it, wrote me a letter, my reply to which was in substantial accordance with the subsequent message of

the President and with the action taken by Congress. I insert it here:

MANSFIELD, O., July 8, 1893.

HON. J. H. WALKER.

MY DEAR SIR:—Yours of 28th ult., inclosing a copy of your statement of the causes that led Mr. Conger, yourself and me to agree with reluctance to the silver act of 1890, is received. An answer has been delayed by my absence at Chicago. You clearly and correctly state the history of that act. The bill that passed the house provided for the purchase of $4,500,000 worth of silver at gold value. The Senate struck out this provision and provided for the free coinage of silver or the purchase of all that was offered at the rate of 129 cents an ounce. As conferees acting for the two Houses, it was our duty to bring about an agreement, if practicable, without respect to individual opinion. The result of the conference was to reject free coinage and to provide for the purchase of four million five hundred thousand ounces of silver at its gold price—a less amount than was proposed by the House, the provisions declaring the public policy of the United States to maintain the parity of the two metals or the authority to stipulate on the contracts for payments in gold, the limit of the issue of treasury notes to the actual cost of silver bullion at gold value, and the repeal of the act providing for the senseless coinage of silver dollars when we already had 300,000,000 silver dollars in the treasury we could not circulate, were all in the line of sound money.

Another object I had in view was to secure a much needed addition to our currency, then being reduced by the compulsory retirement of national bank notes in the payment of United States bonds. This would have been more wisely provided by notes secured by both gold and silver, but such a provision could not then be secured. These reasons fully justified the compromise.

But the great controlling reason why we agreed to it was that it was the only expedient by which we could defeat the free coinage of silver. Each of us regarded the measure proposed by the Senate as a practical repudiation of one-third of the debts of the United States, as a substantial reduction of the wages of labor, as a debasement of our currency to a single silver standard, as the demonetization of gold and a sharp disturbance of all our business relations with the great commercial nations of the world. To defeat such a policy, so pregnant with evil, I was willing to buy the entire product of American silver mines at its gold value.

And that was what we provided, guarded as far as we could. To accomplish our object we had to get the consent of the Republican Representatives from the silver-producing states. This we could only do by buying the silver product of those states. It was a costly purchase. The silver we purchased is not worth as much as we paid for it, but this loss is insignificant compared to our gain by the defeat of the free coinage of silver. It is said there was no danger of free coinage, that the President would have vetoed it

We had no right to throw the responsibility upon him. Besides, his veto would leave the Bland act in force. We did not believe that his veto would dispel the craze that then existed for free coinage. Many people wanted the experiment tried. The result of the experiment of buying four and a half million ounces of silver a month at its market value will be the best antidote against the purchase of the silver of the world at one-third more than its market value.

I never for a moment have regretted the passage of the act of 1890, commonly called the 'Sherman act,' though, as you know, I had no more to do with it than the other conferees. There is but one provision in it that I would change and that is to strike out the compulsory purchase of a given quantity of silver and give authority to the Secretary of the Treasury to buy silver bullion at its market price when needed for subsidiary coinage. The only position we can occupy in the interests of our constituents at large is one fixed standard of value and the use of both metals at par with each other, on a ratio as near as possible to their market value.

Such a policy I believe is right. With reserves both of gold and silver in the proper proportions we can maintain the entire body of our paper money, including coin, at par with each other. For one I will never agree to the revival of state bank paper money, which cannot be made legal tender, and which, on the first sign of alarm, will disappear or be lost in the hands of the holder. Very respectfully yours, JOHN SHERMAN.

I had expressed similar views in speeches in Congress and before the people and in numerous published interviews, and in the previous Congress had introduced a bill to suspend the purchase of silver bullion, substantially similar in terms to the bill that became a law in November, 1893. During the month of August I took a more active part in the proceedings than usual. On the 8th, the 16th and the 18th I made speeches in the current debate.

A brief statement of the passage of this law of 1893 may be of interest. It was introduced as a bill by William L. Wilson, of West Virginia, in the House of Representatives, in the words of the bill introduced by me in the Senate on the 14th of July, 1892, as already stated, and passed the House on the 28th of August, by the decisive vote of 239 yeas and 108 nays. It was referred in the Senate to the committee on finance, of which Daniel W. Voorhees was then chairman. It was on the next day reported by him from that committee, with an amendment in the nature of a substitute, but substantially similar in legal effect to the House bill.

On the next day, August 30, I took the floor and made one of the longest speeches in my congressional life, covering more than forty closely printed pamphlet pages. I quote a few of the opening paragraphs:

"The immediate question before us is whether the United States shall suspend the purchase of silver bullion directed by the act of July 14, 1890. It is to decide this question the President has called Congress together in special session at this inconvenient season of the year. If this was the only reason for an extraordinary session it would seem insufficient. The mere addition of eighteen million ounces of silver to the vast hoard in the treasury, and the addition of fourteen millions of treasury notes to the one thousand millions of notes outstanding, would hardly justify this call, especially as Congress at the last session neglected or refused to suspend the purchase of silver. The call is justified by the existing financial stringency, growing out of the fear that the United States will open its mints to the free coinage of silver. This is the real issue. The purchase of silver is a mere incident. The gravity of this issue cannot be measured by words. In every way in which we turn we encounter difficulties.

"If we adopt the single standard of gold without aid from silver, we will greatly increase the burden of national and individual debts, disturb the relation between capital and labor, cripple the industries of the country, still further reduce the value of silver, of which we now have in the treasury and among our people over $593,000,000, and of which we are the chief producers, and invite a struggle with the great commercial nations for the possession of the gold of the world.

"On the other hand, if we continue the purchase of 54,000,000 ounces of silver a year, we will eventually bring the United States to the single standard of silver — a constantly depreciating commodity, now rejected by the great commercial nations as a standard of value; a commodity confessedly inconvenient, by its weight, bulk, and value, for the large transactions of foreign and domestic commerce, and detach us from the money standard now adopted by all European nations, with which we now have our chief commercial and social relations. In dealing with such a question we surely ought to dismiss from our minds all party affinities or prejudices; all local and sectional interests, and all preconceived opinions not justified by existing facts and conditions.

"Upon one thing I believe that Congress and our constituents agree: That both these extreme positions shall be rejected; that both silver and gold should be continued in use as money — a measure of value; that neither can be dispensed with. Monometallism, pure and simple, has never gained a foothold in the United States. We are all bimetallists. But there are many kinds of bimetallists. One kind favors the adoption of the cheaper metal for the time being as the standard of value. Silver being now the

cheaper metal, they favor its free coinage at the present ratio, with the absolute certainty that silver alone will be coined at our mints as money; that gold will be demonetized, hoarded at a premium, or exported where it is maintained as standard money. The result would be monometallism of silver.

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"The two metals, as metals, never have been, are not now, and never can be, kept at par with each other for any considerable time at any fixed ratio. This necessarily imposes upon the government the duty of buying the cheaper metal and coining it into money. The government should only pay for the bullion its market value, for it has the burden of maintaining it at par with the dearer metal. If the bullion falls in price the government must make it good; if it rises in value the government gains.

"The government is thus always interested in advancing the value of the cheaper metal. This is the kind of bimetallism I believe in. It is the only way in which two commodities of unequal value can be maintained at parity with each other. The free coinage of silver and gold at any ratio you may fix means the use of the cheaper metal only. This is founded on the universal law of humanity, the law of selfishness. No man will carry to the mint one ounce of gold to be coined into dollars when he can carry sixteen ounces of silver, worth but little more in the market than half an ounce of gold, and get the same number of dollars.

"The free coinage of silver means the single standard of silver. It means a cheaper dollar, with less purchasing power. It means a reduction in the wages of labor; not in the number of dollars, but in the quantity of bread, meat, clothes, comforts he can purchase with his daily wage. It means a repudiation of a portion of all debts, public and private. It means a bounty to all the banks, savings institutions, trust companies that are in debt more than their credits. It means a nominal advance in prices of the produce of the farmer, but a decrease in the purchasing power of his money. Its chief attraction is that it enables a debtor to pay his debt contracted upon the existing standard with money of less value. If Senators want cheap money and to advance prices, free coinage is the way to do it; but do not call it bimetallism. The problem we have to solve is how to secure to our people the largest use of both gold and silver without demonetizing either.

"Now, let us examine the situation in which we are placed. Our country is under the pressure of a currency famine. Industries, great and small, are suspended by the owners, not because they cannot sell their products, but because they cannot get the money to pay for raw material and the wages of their employes. Banks conducted fairly are drained of their deposits and are compelled not only to refuse all loans, but to collect their bills receivable. This stringency extends to all trades and business; it affects even your public revenues, all forms of public and private securities, and, more than all, it stops the pay of a vast army of laboring men, of skilled mechanics, and artisans, and affects the economy and comfort of almost every home in the land.

"The strange feature of this stringency is unlike that of any of the numerous panics in our past history. They came from either an irredeemable currency, which became worthless in the hands of the holder, or from expanded credit, based upon reckless enterprises which, failing, destroyed confidence in all industries. Stringency followed failure and reckless speculation. This panic occurs when money is more abundant than ever before. Our circulating notes to-day are sixty million more than one year ago. It is all good as good as gold. No discrimination is made between the gold and silver dollar, or between the United States note, the treasury note, the silver certificate, or the gold certificate. All these are indiscriminately hoarded, and not so much by the rich as by the poor. The draft is upon the savings bank, as well as the national or state bank. It is the movement of fear, the belief that their money will be needed, and that they may not be able to get it when they want it. In former panics, stringency followed failures. In this, failures follow stringency.

"Now, as representatives of the people, we are called here in Congress to furnish such measure of relief as the law can afford. In the discharge of this duty I will sweep away all party bias, all pride of opinion, all personal interest, and even the good will of my constituents, if it were necessary; but, fortunately, I believe their opinions concur with my own."

In conclusion I said:

"It is said that if we stop the coinage of silver it will be the end of silver. I have heard here that moan from some of my friends near me. I do not think it will be the end of silver. We have proven by our purchases that the mere purchase of silver by us in a declining market, when all the nations of Europe are refusing to buy silver and throwing upon us their surplus, is an improvident use of the public money, and it ought to be abandoned, or at least suspended until a time shall come when we may, by an international ratio or by some other provision of law, prevent the possible coming to the single standard of silver. Now, that can be done.

"What do we propose to do now? We simply propose to stop the purchase. We do not say when we will renew it again, but we simply say we believe, in view of a panic or any possibilities of a panic, that it would be idle for us to waste either our credit money or our actual money to buy that which must be put down into the cellar of our treasury and there lie unused, except as it is represented by promises to pay in gold. I say that such a policy as that would be foolish and delusive.

"Senators say that this is a blow at silver. Why, silver is as much a part of the industry of my country as it is a part of the industry of the state of the Senator from Colorado, the able exponent of this question. The production of silver is a great interest, and the people of Ohio are as deeply interested in the success of that interest as the people of Colorado. It is true we have not the direct ownership of the property, but it enters into measures of value of our property. There could be no desire on the part

of any portion of the people of the United States to strike down silver. That idea ought to be abandoned at once. Therefore, in order to at least give the assurance of honest men that we do not intend to destroy an industry of America, we put upon the bill a provision proposed now by the Senator from Indiana.

"I say that instead of desiring to strike down silver we will likely build it up; and any measure that could be adopted for an international ratio that will not demonetize gold will meet my approbation and favor. But I would not dissever the financial business of this great country of ours, with its 65,000,000 of people, from the standards that are now recognized by all the Christian nations of Europe. I would not have our measure less valuable than the measure of the proudest and haughtiest country of the world.

"This is not a question of the mere interest of Nevada or Colorado. It is not a question about what Wall street will do. They will always be doing some deviltry or other, it makes no difference who is up or who is down. We take that as a matter of course. The question is what ought to be done for the people of the United States in their length and breadth. If Congress should say that in its opinion it is not now wise, after our experience, to continue the purchase of silver bullion, is any injustice done to Colorado or Nevada? Are we bound to build up the interest of one section or one community at the expense of another or of the whole country?

"No. I heartily and truly believe that the best thing we can now do is to suspend for a time, at least, the purchase of silver bullion. We should then turn our attention to measures that are demanded immediately to meet the difficulties of the hour. Let this be done promptly and completely. It involves a trust to your officers and great powers over the public funds. I am willing to trust them. If you are not, it is a strange attitude in political affairs. I would give them power to protect the credit of the government against all enemies at home and abroad.

"If the fight must be for the possession of gold, we will use our cotton and our corn, our wheat and other productions, against all the productions of mankind. We, with our resources, can then enter into a financial competition. We do not want to do it now. We prefer to wait awhile until the skies are clear and see what will be the effect of the Indian policy, and what arrangements may be made for conducting another international conference. In the meantime let the United States stand upon its strength and credit, maintaining its money, different kinds of money, at a parity with each other. If we will do that I think soon all these clouds will be dissipated and we may go home to our families and friends with a conscientiousness that we have done good work for our country at large."

I was frequently interrupted, and this led to the discussion of collateral questions and especially the dropping of the silver dollar by the act of 1873, the history of which I have heretofore

stated. This speech was a temperate and nonpartisan presentation of a business question of great importance, and I can say without egotism that it was well received and commended by the public press and by my associates in the Senate. Though I sought to repeal a single clause of a bill of which I was erroneously alleged to be the author, I was charged with inconsistency, and my speech was made the text of the long debate that followed. The "silver Senators," so called, attacked it with violence, and appeals were made to Democratic Senators to stand by those who had defeated the election law, and by the position the Democratic Senators had previously taken in favor of free coinage.

On the 28th of September, and on the 2nd, 13th, 17th, and 28th of October, I made speeches in the current debate, which extended to every part of the financial legislation of the United States since the formation of the government. I insert here the description given by the Washington "Post" of the scene on the 17th:

"The climax of the remarkable day was now at hand. There is no man in the Senate for whom a deeper feeling of esteem is felt than John Sherman. He saw the Republican party born, he has been its soldier as well as its sage, he has sat at the council table of Presidents. His hair is white, and his muscles have no longer the elasticity of youth, but age has not dimmed the clearness of his intellectual vision, while it has added to the wisdom of his counsels. Upon Mr. Sherman, therefore, as he arose, every eye was turned. Personalities were forgotten, the bitterness of strife was laid aside. In a picture which must live in the memory of him who saw it, the spare and bowed form of Mr. Sherman was the central figure. There was not the slightest trace of feebleness in his impassioned tones. Except once or twice, as he hesitated a moment or two for a word to express his thought, there was not a reminder that the brain at seventy may be inert or the fire be dampened in the veins.

"Mr. Sherman spoke, as he himself said, neither in reproach nor anger. It was the appealing tones that gave his speech its power — its convincing earnestness, its lack of rancor, its sober truth that gave it weight. Elsewhere it is printed in detail. Suffice it to say here that he predicted that the rules would have to be changed since they had been made the instrument of a revolutionary minority. Never before had he seen such obstruction in the Senate, never before the force bill had he known of a measure which failed, after due deliberation, to come to a vote. The Republicans had remained steadfast to the President, although under no obligation to

him, and now the time had come when the Democrats must take the responsibility.

"In times past, when the Republicans were in the majority, they never shrank from responsibility. They were Republicans because they believed in Republican principles and Republican men and Republican measures, and whenever a question was to be decided they never pleaded the 'baby act' and said 'we could not agree.' They met together and came to an agreement, and in that way they passed all the great measures which have marked the history of the last thirty years of our country, and it was not done by begging votes on the other side.

"'They say they cannot agree. They must agree,' thundered Mr. Sherman, drawing himself to his full height, and pointing his quivering finger to the Democratic side, 'or else surrender their political power!'

"Then Mr. Sherman pointed out the important legislation that was so sadly needed, not the least being some provision for the deficit of the government, which, he quoted Secretary Carlisle as saying, would be $50,000,000 this year. 'These things cannot be evaded,' he said, while the Senate lingered on his words. 'We must decide this silver question one way or the other. If you,' he added, looking the Democrats in the face, 'cannot do it, then retire from the Senate Chamber, and we will fix it on this side, and do the best we can with our silver friends who belong to us, who are blood of our blood, and bone of our bone. But yours is the proper duty, and, therefore, I beg of you, not in reproach or anger, to perform it. You have the supreme honor of being able to settle this question now, and you ought to do it.'

"Mr. Sherman ceased, but the thrall of his words remained long after his venerable form had disappeared. No Democrat answered him. Mr. Voorhees, who had sat within arm's reach of him on the Republican side, crossed the Chamber to his own seat, and sank down as a man laden with deep care."

The debate continued in the Senate until the 30th of October, when the Senate substitute was adopted by the vote of 43 yeas and 32 nays. Of the yeas 22 were Republicans, and of the nays 20 were Democrats; so that the bill in the Senate was supported by a majority of Republicans and opposed by a majority of Democrats. On this important question the President was acting with a majority of Republicans and a minority of Democrats, and it is to his credit that he firmly held his ground in spite of the opposition in his party.

On the 1st of November, when the amended bill came to the House, Mr. Wilson moved to concur in the amendment of the Senate. A casual debate followed, mostly by Bland and Bryan against the bill, and Wilson and Reed for it. The Senate

amendment was agreed to and the bill as amended passed by the decisive vote of yeas 194 and nays 94, and was approved by the President on the same day. The law thus enacted is as follows:

"That so much of the act approved July 14, 1890, entitled 'An act directing the purchase of silver bullion and issue of treasury notes thereon, and for other purposes,' as directs the Secretary of the Treasury to purchase from time to time silver bullion to the aggregate amount of 4,500,000 ounces, or so much thereof as may be offered in each month at the market price thereof, not exceeding one dollar for 371.25 grains of pure silver, and to issue in payment for such purchases treasury notes of the United States, be, and the same is hereby, repealed. And it is hereby declared to be the policy of the United States to continue the use of both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured through international agreement or by such safeguards of legislation as will insure the maintenance of the parity in value of the coins of the two metals, and the equal power of every dollar at all times, in the markets and in the payment of debts. And it is hereby further declared that the efforts of the government should be steadily directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States, in the markets and in the payment of debts."

Thus the vital principles of the act of July 14, 1890, remained in full force, and the provisions for the purchase of silver bullion and for the issue of treasury notes were repealed. The maintenance of the gold standard, the parity of all money whether of gold, silver or paper, and the payment of all bonds of the United States in coin, were preserved.

The free coinage of silver is still upheld by a large body of those who are interested in mining it, or who want to pay their debts with a depreciated coin; but the danger of the adoption of this policy is lessening daily. It received a severe blow by the action of the Ohio Democratic convention of 1895 in rejecting it by a vote of more than two to one. The bimetallic system of maintaining all forms of money at par with gold will probably soon be fully established. To complete this system and to extend it to our paper money it would be wise to gradually withdraw treasury notes and silver certificates and replace them with United States notes supported and maintained by

large reserves of gold. Thus all kinds of paper money issued by the United States would be of the same form and value. The great mass of standard silver dollars, amounting on August 1, 1895, to $371,542,531, now held in the treasury, represented by $320,355,118 of silver certificates in circulation, is the one great disturbing element in our finances. But 51,746,706 standard silver dollars are in circulation, and experience has shown that a greater amount cannot be kept out among the people. The certificates representing the silver dollars are in circulation and a legal tender for customs dues as well as for all debts, public and private. They must be treated as United States notes, and maintained at par with gold coin, or the parity of our coin and currency will be endangered. They now enter into the general aggregate of our legal tender money and are largely used in the payment of customs duties, and when received are paid out for the current expenses of the government. While supported by the aggregate silver dollars in the treasury, and the pledge of the public faith to maintain them at par with gold coin and United States notes, they are a safe and useful currency, but any measure to increase these certificates, based upon the coining of more silver dollars from bullion alleged to be gain or seigniorage, would seriously impair the ability of the government to maintain their parity with gold. The great depreciation of silver bullion has resulted in a vast loss to the government, and its disposition is the most serious problem pending in Congress.

During the entire extra session of 1893 the body of the Democratic Senators and Members were placed in an awkward position. They were desirous of aiding the President, but their constituents behind them were generally in favor of free coinage of silver. In some of the northern states, especially in Ohio, the Democratic party had declared, in its conventions, in favor of free coinage, and now their President demanded, in the strongest language, the repeal of the only provision of law for the purchase or coinage of silver. The House promptly responded to the appeal, but the Democratic Senators hesitated and delayed action until after three months of weary debate. Their party had a majority in each House, and should

have disposed of the only question submitted by the President in thirty days. Voorhees was the first Democratic Senator to announce his purpose to vote for the repeal, although previously an advocate of free coinage, and he, as chairman of the committee on finance, reported the bill of the committee, while others lingered in doubt. The Republican Senators, except those representing silver states, as a rule, promptly avowed their purpose to vote for repeal, although they had voted for the law.

After the call for the extra session was issued, I had expressed my opinion on silver legislation, but I did not wish to embarrass the President. When interviewed I refused to answer, saying the people had called upon the present administration to handle these questions, and neither I nor anyone should do aught to add embarrassment, when so much already existed. When Congress met, the Republicans remained quiet, and did not seek to embarrass the administration, but it was soon ascertained that a decided majority of them would vote for the repeal of the purchasing clause of the act of 1890, but against any modification of any other provision of that act. The position of the Republican Senators from the states west of the Mississippi River was also known. They would vote against any change of the law, unless they could secure the free coinage of silver. During this period the position of the Democratic Senators was unknown, but it was rapidly developed, with the result already stated.

Congress adjourned on the 3rd of November. The closing days were memorable for their excitement. For fourteen consecutive days the Senate did not adjourn, but from time to time took recesses. On the 31st of October the journal had not been read for fourteen days.

During this period I was requested by Governor McKinley to take part in the pending canvass in Ohio, which involved his reëlection as governor. In the condition of the Senate I did not feel justified in leaving, but immediately upon the passage of the repeal bill started for Columbus to render such service as I could. It had been falsely stated that I was indifferent about McKinley's election, which I promptly denied.

But a few days intervened before the election. On the day of my arrival in Ohio, I spoke at Springfield. On the evening of the next day, the 3rd of November, at Central Turner Hall in Cincinnati, I spoke to a very large meeting. This speech was fully reported. It was mostly devoted to the tariff, a struggle over which was anticipated. After paying my usual visit to the chamber of commerce and the Lincoln club, I proceeded to Toledo, where I spoke at Memorial Hall on the evening before the election, and then returned home to Mansfield, where I voted. The result was even more decisive than expected. The 81,000 plurality for McKinley was the best evidence of his popularity, and was regarded as an indorsement of the McKinley tariff law.

On the 8th of November I returned to Washington. Many interviews with me were reported, in which I expressed my satisfaction with the overwhelming victory gained by the Republicans all over the United States, and especially with their success in New York. In response to a request by a leading journal, before the meeting of Congress, I carefully prepared a statement of the causes that led to these results. I undertook to review the political changes in the past four years, but will insert only two paragraphs of this paper.

"It is manifest that the causes of the defeat of the Democratic party in the recent election were general and not local. They extended to Colorado, Dakota, Iowa, Ohio, Pennsylvania, New York, and Massachusetts. If the opposition to the Democratic party in Virginia had been organized and conducted by the Republican party, the results in that state would have been very different. The ideas of the Populists are too visionary and impracticable to be made the basis of a political organization. A canvass conducted in Virginia upon the issues that prevailed in Ohio would, in my judgment, have greatly changed the results in that state. Aside from the memories of the war, the economic principles of the Republican party have great strength in the southern states, and whenever the images of the war fade away the people of those states will be influenced by the same ideas that prevail in the northern states. The leading cause of the enormous Republican majorities in northern states I have mentioned was the united protest of the unemployed against radical changes of our tariff laws. Whatever theories may be proposed, it may be regarded as an axiom that the protective principle is a well established policy in the United States. It has been recommended by all the Presidents from Washington to Harrison,

and by none more emphatically than Jefferson, Madison, Monroe, and Jackson. This is and has been the natural and instinctive policy of a new nation with enormous undeveloped resources. While the terms of our tariff laws provided for revenue, their foundation and background were to encourage domestic manufactures and diversify productions. The extent of protection was limited to the want of revenue, but the duties were uniformly so adjusted as, while producing revenue, to encourage manufactures.

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"But, after all, we must place as the chief cause of Democratic defeat the profound and settled distrust that the Democratic party will now, having the President and a majority in both Houses, disturb the enormous industries of our country developed by, and dependent upon, our tariff laws, and will seek to substitute the policy of Great Britain, of free trade, as against the example of the leading nations of Europe as well as our own, of a wise and careful protection, and encouragement by tariff laws of all forms of domestic industry that can be conducted with a reasonable hope of profit in this country. The future of parties will depend more largely upon the manner in which this condition of things is met by the present Congress than upon all other causes combined."

CHAPTER LXV.

Passage of the Wilson Tariff Bill.

Second Session of the 53rd Congress — Recommendations of the President Concerning a Revision of the Tariff Laws — Bill Reported to the House by the Committee of Ways and Means — Supported by Chairman Wilson and Passed — Received in the Senate — Report of the Senate Committee on Finance — Passes the Senate with Radical Amendments — These Are Finally Agreed to by the House — The President Refuses to Approve the Bill — Becomes a Law After Ten Days — Defects in the Bill — Not Satisfactory to Either House, the President or the People — Mistakes of the Secretary of the Treasury — No Power to Sell Bonds or to Borrow Money to Meet Current Deficiencies — Insufficient Revenue to Support the Government — A Remedy That Was Not Adopted — Gross Injustice of Putting Wool on the Free List — McKinley Law Compared with the Wilson Bill — Sufficient Revenue Furnished by the Former — I Am Criticized for Supporting the President and Secretary.

THE second session of the 53rd Congress commenced on the 4th of December, 1893. The President in his message was especially urgent in his recommendation of a revision of the tariff laws. He said:

"After a hard struggle tariff reform is directly before us. Nothing so important claims our attention, and nothing so clearly presents itself as both an opportunity and a duty — an opportunity to deserve the gratitude of our fellow-citizens, and a duty imposed upon us by our oft-repeated professions, and by the emphatic mandate of the people. After a full discussion our countrymen have spoken in favor of this reform, and they have confided the work of its accomplishment to the hands of those who are solemnly pledged to it.

"If there is anything in the theory of a representation in public places of the people and their desires, if public officers are really the servants of the people, and if political promises and professions have any binding force, our failure to give the relief so long awaited will be sheer recreancy. Nothing should intervene to distract our attention or disturb our effort, until this reform is accomplished by wise and careful legislation.

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"Not less closely related to our people's prosperity and well-being is the removal of restrictions upon the importation of the raw materials necessary to our manufactures. The world should be open to our national

ingenuity and enterprise. This cannot be while federal legislation, through the imposition of high tariff, forbids to American manufactures as cheap materials as those used by their competitors."

In view of this message, it was manifest that the tariff would be the chief subject of legislation during the session. It was understood that a bill had been prepared by the committee of ways and means, which had been submitted to the President and Secretary of the Treasury and approved by them. It was reported to the House of Representatives, December 19, 1893. On the 8th of January, 1894, Mr. Wilson, chairman of the committee, made an elaborate speech in its support. The debate continued until the 1st of February, when, with some amendments, it passed in that House. In the Senate, on the next day, it was referred to the committee on finance. On the 20th of March it was reported to the Senate, with amendments, by Mr. Voorhees. Mr. Morrill said:

"I desire to say that so far as the Republican members of the committee on finance are concerned they did not object to the reporting of the bill, while they are opposed not only to the proposed income tax, but to the many changes of specifics to *ad valorems*, and to the great bulk of the provisions of the bill."

On the 2nd of April Voorhees made a carefully prepared speech in support of the bill. The debate continued, occupying much the larger part of the time, until the 3rd day of July, when the bill passed with radical amendments, which changed it in principle and details. Two conferences of the two Houses were held on the amendments disagreed to, but failed to agree, and it appeared, after the long struggle, that the bill would be defeated, when, on the 13th of August, upon motion of Mr. Catchings, the House agreed to the Senate amendments in gross and thus the bill passed Congress. The President refused to approve it and it became a law after ten days without his approval.

This skeleton history of what is now known as the Wilson tariff partially discloses its imperfections. Framed in the House as a tariff for revenue only, and radically changed in the Senate to a tariff with protection to special industries, it was not satisfactory to either House, to the President or to the

people. So far as it copied the schedules and the legislative provisions of the McKinley law, it met with approval. Its new features were incongruous, were decidedly sectional, and many of its provisions were inconsistent with each other.

The vital defect of the bill is that it does not provide sufficient revenue to carry on the government. This is the primary and almost the only cause of the financial difficulties of the present administration. The election of Mr. Cleveland in 1892, upon the platform framed by him, naturally created distrust as to the ability of the government to maintain the parity of the different forms of money in circulation. Added to this, the broad declaration of the purpose to reduce taxation led to the reduction of importations and the diminution of the revenue from the McKinley tariff. Importers and dealers naturally reduced their imports in view of the expectation that duties would be reduced. By the 1st of July, 1893, when the Wilson bill was in embryo, the revenues had been so diminished as to yield a surplus of only $2,341,074 during the previous year. It was apparent, when Congress met in August, that the administration, having a majority in each House of Congress, was determined to reduce duties, and yet it made no effort to reduce expenditures. Soon after there was a large deficiency in the revenue, and the Secretary of the Treasury was compelled either to refuse to pay appropriations made by law in excess of receipts or to borrow money to meet the deficiencies.

In my judgment the better way for him would have been not to pay appropriations not needed to meet specific contracts, for an appropriation of money by Congress is not mandatory, but is permissive, an authority but not a command to pay, nor does an appropriation in itself authorize the borrowing of money. When this authority is required Congress must grant it, and, upon its failure to do so, all the Secretary of the Treasury should do is to pay such appropriations as the revenues collected by the government will justify. It is for Congress to provide such sums, by taxation or loans, as are necessary to meet all appropriations made in excess of revenue. If it refuses or neglects to do this, the responsibility is on it, not on the secretary. All he can do is to choose what appropriations

he will pay. This is a dangerous and delicate power, but it has frequently been employed and has never been abused. His failure to exercise this discretion was a grave mistake.

As revenues diminished deficiencies increased. A doubt arose whether, under the then existing condition, the government would be able to pay gold coin for United States notes and treasury notes. These were supported by a reserve of $100,000,000 in gold coin and bullion, but this reserve fund was not segregated from the general balance in the treasury, as it ought to have been, but was liable to be drawn upon for all appropriations made by Congress. There was not then, and there is not now, any specific authority invested in the Secretary of the Treasury to sell bonds or to borrow money to meet current deficiencies, and he felt called upon to pay these out of the general fund, embracing that created for the redemption of United States notes under the act of 1875. The result was to create an alarm that the government could not or would not pay such notes and thus maintain the gold standard. The timid, and those whose patriotism is in their purse, were making inroads on the gold reserve, which fell below $100,000,000.

By the resumption act of 1875 the Secretary of the Treasury was authorized, to enable him to pay United States notes on demand, to sell either of three classes of bonds bearing respectively five, four and a half and four per cent. interest, but the question arose, in 1894, whether he could sell these bonds to meet current expenditures. All of them were worth a premium in the market. Bonds bearing three per cent. running a short period could then have been sold at par. In common with many others I foresaw, in February, 1893, that the tariff policy of the then incoming administration would reduce our revenue below our expenditures, and sought to have Congress authorize the sale of bonds bearing three per cent. interest instead of those at a higher rate already authorized. I saw plainly that the incoming administration would enter on precisely the same course as that adopted by Buchanan, of providing insufficient revenue for the support of the government, resulting in the gradual increase of the public debt and the disturbance of our financial system. During each year of

Buchanan's administration the public debt increased, as it has been steadily increasing during Cleveland's administration, and great embarrassment grows out of this fact. My friendly suggestion was defeated and the result has been the sale of four per cent. bonds at a sacrifice.

The President recommended the removal of restrictions upon the importation of the raw materials necessary to our manufactures. The tariff bill, as it passed, imposed duties on nearly all raw materials except wool. This important product of the farmer was made duty free. I made every effort to prevent this injustice. Free wool was the culminating atrocity of the tariff law. By it a revenue of over eight millions a year was surrendered for the benefit of woolen manufacturers. I appealed to the Senate to give some protection to this great industry of our country. It was generally classed as the fifth of the industries of the United States, including the manufacture of woolens, and I have no doubt it fully came up to that grade. Over a million farmers were engaged in the growth of wool. It involved an annual product estimated at $125,000,000 under the former prices, but probably under the prices after the passage of the Wilson bill it was reduced to about eighty or ninety million dollars. It was, therefore, a great industry. And yet it was left solitary and alone without the slightest protection given to it directly or indirectly. The manufacture of woolen goods was amply protected. Amendments were proposed and adopted without dissent, adding largely to the protection at first proposed on manufactures of wool.

The value of the wool in woolen goods as a rule is equal to the cost of manufacturing the cloth. The duty on cloth under this law averages 40 per cent., so that the domestic manufacturer of cloth gets the benefit not only of a duty of 40 per cent. on the cost of manufacture, but he gets a duty of 40 per cent. on the cost of the wool in the cloth, thus getting a protection of 80 per cent. on the cost of manufacture, while the farmer gets no protection against foreign competition for his labor and care. This gross injustice is done under the name of free raw materials. When I appealed to the Senate for a duty on wool

I was answered by one Senator that free wool was all that was left in the bill of the Democratic doctrine of free raw materials, and, if only for this reason, must be retained. I made two speeches in support of a duty, but was met by a united party vote, every Democrat against it and every Republican for it. In the next tariff bill I hope this decision will be reversed.

On the 31st of May, 1894, I made a long speech in favor of the McKinley law and against the Wilson bill. While the McKinley law largely reduced the taxes and duties under pre-existing laws, yet it furnished ample revenue to support the government. The object of the act was declared to be to reduce the revenue. It was impartial to all sections and to all industries. The south was well cared for in it, and every reasonable degree of protection was given to that section. In growing industries in the north, which it is desirable to encourage, an increase of duty was given. In nearly all the older industries the rates were reduced, and the result was a reduction of revenue to the extent of $30,000,000. There was no discrimination made in the McKinley act between agriculture and mechanical industries. The Wilson bill sacrificed the interests of every farmer in the United States, except probably the growers of rice and of fruit in the south. The McKinley act, I believe, was the most carefully framed, especially in its operative clauses and its classification of duties, of any tariff bill ever passed by the Congress of the United States.

It has been said that the McKinley act was the cause of the deficiency of revenue that commenced about three years after its passage. That is a mistake. Until Mr. Cleveland was sworn into office, March 4, 1893, there was no want of revenue to carry on the operations of the government. Until July, 1893, there was a surplus of revenue, and not a deficiency. The receipts during the fiscal years ending June 30, 1891, 1892, 1893, under the McKinley act, furnished ample means for the support of the government, and it was not until after Cleveland had been elected, and when there was a great fear and dread all over the country that our industries would be disturbed by tariff legislation, that the revenues fell off. The surplus in 1891 was $37,000,000; in 1892, in the midst of the election, it

was $9,914,000, and in 1893, up to June 30, the surplus revenue was $2,341,000. Yet in a single year afterwards, after this attempt to tinker with the tariff had commenced, after the announcement as to the tariff had been made by Mr. Cleveland, after the general fear that sprang up in the country in regard to tariff legislation, the revenues under the McKinley act fell off over $66,000,000, and the deficiency of that year was $66,542,000.

I believe that if Harrison had been elected President of the United States the McKinley act would have furnished ample revenue for the support of the government, because then there would have been no fear of disturbance of the protected industries of our country. Cleveland's election created the disturbances that followed it. The fear of radical changes in the tariff law was the basis of them. That law caused the falling of prices, the stagnation of some industries, and the suspension of others. No doubt the fall in the value of silver and the increased demand for gold largely precipitated and added to the other evils that I have mentioned.

If when Congress met in December, 1893, there had been a disposition on the part of both sides to take up the tariff question and discuss it and consider it as a pure question of finance, there would have been no difficulty with the Republicans. We were all ready to revise the rates contained in the McKinley tariff act. The body of that act had been embodied in the Wilson bill as a part of the proposed law. Nearly all of the working machinery of the collection of customs, framed carefully under the experienced eye of Senator Allison, is still retained. All the schedules, the formal parts of the act, which are so material, and the designation into classes—all those matters which are so complicated and difficult to an ordinary lawyer or an ordinary statesman, have been retained.

If the bill had been taken up in the spirit in which it should have been, and if an impartial committee of both parties in the Senate and the House had gone over it, item by item, it would have been passed in thirty days without trouble. That was not the purpose; it was not the object, and it was not the actual result.

During the long session of 1893–94 I was the subject of much controversy, debate, censure and praise. While distinctly a Republican, and strongly attached to that party, I supported, with the exception of the tariff law, the financial policy of the President and Secretary Carlisle. Mr. Cleveland was a positive force in sustaining all measures in support of the public credit. Mr. Carlisle, who as a Member and Senator had not been always equally positive on these measures, yet was regarded as a conservative advocate of a sound financial policy, readily and heartily supported the President in his recommendations. As these were in harmony with my convictions I found myself indorsing them as against a majority of the Democratic Senators. My Republican colleagues, with scarcely an exception, favored the same policy.

CHAPTER LXVI.

Seniority of Service in the Senate.

Notified That My Years of Service Exceed Those of Thomas Benton—Celebration of the Sons of the American Revolution at the Washington Monument—My Address to Those Present—Departure for the West with General Miles—Our Arrival at Woodlake, Nebraska—Neither "Wood" nor "Lake"—Enjoying the Pleasures of Camp Life—Bound for Big Spring, South Dakota—Return via Sioux City, St. Paul and Minneapolis—Marvelous Growth of the "Twin Cities"—Publication of the "Sherman Letters" by General Sherman's Daughter Rachel—First Political Speech of the Campaign at Akron—Republican Victory in the State of Ohio—Return to Washington for the Winter of 1894-95—Marriage of Our Adopted Daughter Mary with James Iver McCallum—A Short Session of Congress Devoted Mainly to Appropriations—Conclusion.

ON the 16th of June, 1894, I was notified by William E. Spencer, the experienced journal clerk of the Senate, that I that day had reached a term of service in the Senate equal in length to that of Thomas Benton, whose service had previously held first rank in duration, covering the period from December 6, 1821, to March 3, 1851, making 29 years, 2 months and 27 days. I had entered the Senate March 23, 1861, and served continuously until March 8, 1877, making 15 years, 11 months and 15 days, when I entered the cabinet of President Hayes. My second term of service in the Senate began March 4, 1881, and has continued until the present time. My service since June 16, 1894, is in excess of that of Benton.

On the 4th of July, 1894, the Sons of the American Revolution celebrated the day by a ceremony held literally in the shadow of the Washington monument. There, at the base of the great shaft, the members and friends of this organization and several chapters of the Daughters of the Revolution gathered at 10 o'clock to listen to patriotic addresses. The societies had been escorted from the Arlington hotel by the Marine

Band, and gathered in seats around a grand stand while a battery of artillery welcomed them with a salute. The band played national hymns, and the audience sang "America." General Breckinridge introduced me and I was heartily greeted. After narrating the principal events of the American Revolution, and especially incidents connected with the Declaration of American Independence, I said:

"It is a marvel of the world that these humble colonies, composed of plain men, for there were no nobles or rich men in those times, furnished genius which brought to mankind greater wisdom in the framing of a government than ever elsewhere existed. It was of these men that Lord Chatham said that they had prepared papers stronger than ever emanated from any court of Europe. Our country was built up on intelligence, obedience to law, desire for freedom and the equal enjoyment of rights. Those who are gathered here to-day are classified as sons and daughters of the Revolution, and therefore they are under deeper obligations to be true and patriotic citizens."

I then spoke of the character of our people and our institutions, and the Civil War, happily ended, and the increasing strength and power of the republic. I narrated how the Washington monument came to be completed. I said it was true it cost a million of dollars, but what was that to 65,000,000 people! The occasion was enjoyable, the speeches were suitable for the 4th of July, patriotism and love of country being the watchwords.

On the 28th of August, 1894, the second session of the 53rd Congress closed. It was a laborious session. Its principal act was a measure that did not satisfy anyone. It laid the foundation for insufficient revenue, an increase of the public debt and the general defeat of the party in power.

I was much fatigued, and had already arranged to accompany General Nelson A. Miles and his party on a military inspection in Nebraska and South Dakota. I arrived in Chicago on the 2nd of September, where General Miles was stationed. There I was met by the reporters and told them all I knew about the intended trip. I got as much information from them as they did from me. What they wanted was prophecy of the future, and I wanted to get into the wilderness. Here our little party was made up, consisting of General Miles, his

wife, daughter and son, a lad about thirteen years old, Dr. Daly and brother, two staff officers, and myself. We had a car and lived in it, and the cook supplied us bountifully with good healthy food, largely of game. I cannot imagine a more delightful change to a man weary with talk in the hot chambers of the capitol at Washington in August than the free, fresh air of the broad plains of Nebraska, with congenial company in a palace car, and with no one to bother him. Our first stopping place was called Woodlake, a small village on the railroad in the northwestern part of Nebraska. We arrived there in the afternoon; our car was detached from the train and became our home for a week. Around us in every direction was a broad rolling plain as dry as a powderhorn, with scarcely any signs of habitation, but the air was pure and exhilarating and imparted a sense of health and energy. My first inquiry to one of the denizens was "Where is your wood and your lake which gave a name to your town?" He said that when the railroad was located there was a grove near by, and water in the low ground where we stood, but the trees had been cut and utilized in constructing the railroad, and the lake was dried up by a long drouth. Woodlake had neither wood nor lake in sight! We took long walks without fatigue, and our hunters, of whom General Miles was chief, supplied us with prairie chickens, the only game of the country.

After a few days thus spent we left our car and followed after a company of United States Infantry, from Fort Niobrara, then engaged in their usual drill, to a lake about twenty-five miles away, where we lived in tents and had a taste of real camp life. With the consent of the owner of the land we pitched our tents near his house on the banks of the lake about three miles long and perhaps half a mile wide. This sight of water was pleasing, but we were warned not to drink it. We had a bountiful supply of pure healthy water, however, from an artesian well driven over a hundred feet into the earth and pumped by almost continuous winds into a great basin, which furnished water in abundance for man and beast. The only house in sight besides the one near our camp was occupied by the brother of our host, three miles away at the

other end of the lake. The two brothers were the lords of all they surveyed. They owned large herds of cattle that ranged over the plains around, drank of the waters of the lake and fed upon the sparse herbage. A few hundred of them were kept in a corral near the homesteads for sale, but the larger portion roamed under the care of herdsmen wherever the herbage seemed the best.

Here our hunters, with a fine pack of dogs, pursued prairie chickens, and not only supplied our table but contributed to the soldiers in their shelter tents near by. Mrs. Miles and I, escorted by her young son, Sherman Miles, on horseback, had the benefit of a horse and buggy with which we could drive in any direction. There was no fence or bog or obstruction in the way. We generally kept in sight of our hunters, but if we lost the trail we could go to the hills and soon locate our camp. This free and easy life soon cured my languor and weariness and I was able to walk or ride long distances as well as any of the party.

Returning to Woodlake we attached our car to the train for Big Spring in South Dakota. Here we spent two or three days, mainly in riding through the picturesque country around. We intended to extend our journey to Deadwood but the duties of General Miles required him to visit St. Paul and the military post at Fort Snelling. We returned by the way of Sioux City and thence to St. Paul. This city and its sister, Minneapolis, were familiar ground. I had seen them when they were small towns, and had, by frequent visits, kept pace with their growth, but the change noticed on my last visit was a surprise to me. The two cities, but a few miles apart when rival rural villages, were approaching each other and no doubt are destined to blend into one great city of the north. Here I met many friends, chief of whom I am glad to place Senator Cushman K. Davis, of Minnesota. After a brief stay our little party returned to Chicago and dispersed, I going back to Mansfield to engage in the political campaign.

At this period "The Sherman Letters" was published, and at once attracted attention and general commendation. I thought the experiment was a risky one, but it was the desire

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of General Sherman's children to publish them, and especially of his daughter, Rachel Thorndike, who undertook to compile them. I have been in the habit of preserving letters written to me on personal matters, or by members of my family, and, as General Sherman was a copious writer, I placed his letters in separate books. He did the same with mine, but many of these had been lost by fire in California. Rachel arranged in chronological order such letters as she thought worth preserving, and they were published in a handsome volume. I have a multitude of letters from almost every man with whom I have been associated in political life, but will not publish them while the writers live without their consent, nor even after their death if the letters would tend to wound the feelings of surviving friends or relatives. Letters are the best evidence of current thought or events, but they ought to be guarded by the person to whom they are written as confidential communications, not to be disclosed to the injury of the writer. General Sherman's inmost thoughts could be disclosed without fear of injury to him, and his letters, though rapidly written, did not indicate a dishonorable thought or action. I have seen nothing in the comments of the press on these letters but what is kindly to the "two brothers."

On the 5th of October I made my usual annual visit to Cincinnati. I called at the chamber of commerce, and had the same hearty welcome its members have always given me. I made the usual short speech, and it was all about "King Corn." General surprise was expressed at my healthy appearance. The remark was frequently made that I was looking better and heartier than for years. The impression of my failing health was gathered from the newspaper descriptions of "the old man" in the debates in the Senate. The effect of the pure, open air of Nebraska was apparent. While on this visit I was greatly pleased with a drive to Fort Thomas, and the high lands on the Kentucky side of the river.

My first political speech of the campaign was made on the 12th of October at Akron. It was confined almost exclusively to the tariff and silver questions. The meeting was very large, composed chiefly of men employed in the numerous factories

and workshops of that active and flourishing manufacturing city. On the 18th I spoke at Sandusky upon the same general topics as at Akron. Here I visited the Soldiers' Home near that city. It is an interesting place, where I think the old soldiers are better cared for than in the larger national homes.

I continued in the canvass, speaking at several places, until the election on the first Tuesday of November. The result was the reëlection of Samuel M. Taylor, the Republican candidate for Secretary of State, by the abnormal plurality of 137,086, and nineteen Republicans were elected to Congress out of the twenty-one. Though this was a state election, it turned mainly upon national issues, and especially evidenced strong opposition to the Wilson tariff bill.

I was often asked by reporters, after my return to Washington, as to the meaning of the election in Ohio. I uniformly expressed the opinion that it meant the adoption of a nonpartisan tariff that would, with a few internal taxes, yield revenue enough to pay current expenses and the interest of the public debt and a portion of the principal. I still hope that will be the result. The framework of the McKinley law, with such changes as experience may show to be essential, would remove the tariff from among the political questions of the day and give reasonable encouragement to American industries.

On the 10th of November my family and I returned to Washington for the winter. The chief interest and occupation of my wife and myself, for the time being, was the preparation for the approaching marriage of our adopted daughter, Mary Stewart Sherman, to James Iver McCallum, of Washington. This was fixed for noon, the 12th of December. Full details of all the preparations made, of the dresses worn, of the members of the family in attendance, and of the distinguished guests present, were given in the city papers. It is sufficient for me to say that Mary has been carefully educated and trained by us, and never for a moment has given us anxiety as to her prudence, deportment and affection. We gave her in marriage to a young gentleman, a native of Washington, and a clerk in the supreme court, and entertain for her all the affection and solicitude that a father or mother can bestow.

Congress convened on the 3rd of December, 1894. The languor that followed the excitement of the two previous sessions, and the defeat suffered by the administration in the recent elections, no doubt caused an indifference to political questions during the short remaining session. But little was done except to consider and pass the appropriations for the support of the government. I was often annoyed by unfounded assertions that I had influence with the administration, and especially with Carlisle, that I was in frequent conference with the President and secretary. These stories were entirely unfounded. Neither of these gentlemen ever consulted me as to the business of their offices, nor did I ever seek to influence them or even to converse with them on political questions. It was a delicate matter for either of them or for myself to deny such statements when our personal relations were friendly.

And now these memoirs must end. I know there are many events not noted that should have been referred to, and many persons whose names should not have been omitted. I would be glad to mention with honor and credit hundreds of men who participated with me in the political events of public life, but this seemed impracticable within reasonable limits. I might have omitted many events and speeches as of not sufficient consequence to be preserved, but if I had I would not have written the recollections of my public life. The life of a civilian is in what he says or writes, that of a soldier in what he does. What I have written is no doubt clouded with partisanship, but I would not be honest if I did not express my attachment to my party. This, however, never impaired my patriotism or swerved me from the path of duty.

To the people of Ohio I owe all the offices and honors that have been conferred upon me. No constituency could have been more forbearing and kind. During forty years of public life, though many able men have aspired to the office I hold, the people of Ohio, through their general assembly, have preferred me to represent them. Though my grateful thanks are due to them and have been often expressed, yet I have felt, as they do, that my duty was to the whole country. Proud of Ohio, of its history and people, willing at all times to sound its

praise in the sisterhood of states, yet, according to my convictions, the United States is entitled to my allegiance, and all parts of it should receive equal care and consideration. "Our country, our whole country, and nothing but our country" has been the watchword and creed of my public life. It was the opposite doctrine of "states' rights," allegiance to a state, that led to the Civil War. It was settled by this war that we have a country limited in its powers by the constitution of the United States fairly construed. Since that time our progress and development have been more rapid than any other country's.

The events of the future are beyond the vision of mankind, but I hope that our people will be content with internal growth, and avoid the complications of foreign acquisitions. Our family of states is already large enough to create embarrassment in the Senate, and a republic should not hold dependent provinces or possessions. Every new acquisition will create embarrassments. Canada and Mexico as independent republics will be more valuable to the United States than if carved into additional states. The Union already embraces discordant elements enough without adding others. If my life is prolonged I will do all I can to add to the strength and prosperity of the United States, but nothing to extend its limits or to add new dangers by acquisition of foreign territory.

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